

December 30, 2016

Ms. Barcy McNeal  
Commission Secretary  
The Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, OH 43215

SUBJECT: Case Nos. 16-1820-EL-RDR  
89-6006-EL-TRF

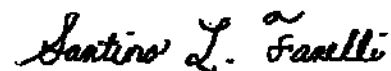
Dear Ms. McNeal:

In accordance with the Commission Order in Ohio Edison Company's Case No. 14-1297-EL-SSO Electric Security Plan proceeding, please file the attached schedules, bill impacts, and tariff pages on behalf of Ohio Edison Company related to the Delivery Capital Recovery Rider (Rider DCR). The attached schedules demonstrate that the year-to-date revenue is below the permitted annual cap for 2016 and provide detailed calculations related to plant in service, accumulated depreciation reserve, income taxes, commercial activity taxes, and property taxes, rate base, depreciation expense, and the resulting revenue requirement all as contemplated by the Order in Ohio Edison Company's Case No. 14-1297-EL-SSO Electric Security Plan proceeding.

Also included with the filing are estimated bill impacts for multiple usage levels for the different rate schedules reflecting the impact on current bills of the Rider DCR charges commencing on March 1, 2017.

Finally, attached is a tariff page that reflects the pricing update of Rider DCR. Please file one copy of the tariffs in each of the above mentioned Case Nos. 16-1820-EL-RDR and 89-6006-EL-TRF, and distribute two copies to the Staff. Thank you.

Sincerely,



Santino L. Fanelli  
Director, Rates & Regulatory Affairs

Enclosures

Ohio Edison Company  
Delivery Capital Recovery Rider (DCR)  
March 2017 – May 2017 Filing  
December 30, 2016

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**Rider DCR  
Rates for March - May 2017  
Revenue Requirement Summary**

(\$ millions)

**Calculation of Annual Revenue Requirement Based on Estimated 2/28/2017 Rate Base**

<b>Line No.</b>	<b>Description</b>	<b>Source</b>	<b>CEI</b>	<b>OE</b>	<b>TE</b>	<b>TOTAL</b>
1	Annual Revenue Requirement Based on Actual 11/30/2016 Rate Base	12/30/2016 Compliance Filing; Page 2; Column (f) Lines 36-39	\$ 108.6	\$ 115.1	\$ 27.3	\$ 250.9
2	Incremental Revenue Requirement Based on Estimated 2/28/2017 Rate Base	Calculation: 12/30/2016 Compliance Filing (Page 27, Column (f) Lines 36-39) minus Line 1	\$ 3.2	\$ 3.9	\$ 2.0	\$ 9.1
3	Annual Revenue Requirement Based on Estimated 2/28/2017 Rate Base	Calculation: SUM [ Line 1 through Line 2 ]	\$ 111.8	\$ 119.0	\$ 29.2	\$ 260.1

**Rider DCR**  
**Actual Distribution Rate Base Additions as of 11/30/2016**  
**Revenue Requirement Calculation**

(\$ millions)

\* 5/31/2007 balances refer to the jurisdictional balances approved in Case 07-551-EL-AIR. Source: PUCO Staff workpapers supporting the PUCO Opinion & Order

	(A)	(B)	(C) = (B) - (A)	(D)
<b>Gross Plant</b>	<b>5/31/2007*</b>	<b>11/30/2016</b>	<b>Incremental</b>	<b>Source of Column (B)</b>
(1) CEI	1,927.1	2,955.1	1,028.1	Sch B2.1 (Actual) Line 45
(2) OE	2,074.0	3,351.1	1,277.1	Sch B2.1 (Actual) Line 47
(3) TE	771.5	1,159.9	388.5	Sch B2.1 (Actual) Line 44
(4) <b>Total</b>	<b>4,772.5</b>	<b>7,466.2</b>	<b>2,693.6</b>	<b>Sum: [ (1) through (3) ]</b>

<b>Accumulated Reserve</b>				
(5) CEI	(773.0)	(1,269.2)	(496.2)	-Sch B3 (Actual) Line 46
(6) OE	(803.0)	(1,317.4)	(514.4)	-Sch B3 (Actual) Line 48
(7) TE	(376.8)	(591.1)	(214.3)	-Sch B3 (Actual) Line 45
(8) <b>Total</b>	<b>(1,952.8)</b>	<b>(3,177.7)</b>	<b>(1,224.9)</b>	<b>Sum: [ (5) through (7) ]</b>

<b>Net Plant In Service</b>				
(9) CEI	1,154.0	1,685.9	531.9	(1) + (5)
(10) OE	1,271.0	2,033.7	762.7	(2) + (6)
(11) TE	394.7	568.9	174.2	(3) + (7)
(12) <b>Total</b>	<b>2,819.7</b>	<b>4,288.4</b>	<b>1,468.7</b>	<b>Sum: [ (9) through (11) ]</b>

<b>ADIT</b>				
(13) CEI	(246.4)	(466.7)	(220.3)	- ADIT Balances (Actual) Line 3
(14) OE	(197.1)	(569.6)	(372.5)	- ADIT Balances (Actual) Line 3
(15) TE	(10.3)	(151.4)	(141.1)	- ADIT Balances (Actual) Line 3
(16) <b>Total</b>	<b>(453.8)</b>	<b>(1,187.7)</b>	<b>(733.9)</b>	<b>Sum: [ (13) through (15) ]</b>

<b>Rate Base</b>				
(17) CEI	907.7	1,219.2	311.5	(9) + (13)
(18) OE	1,073.9	1,464.1	390.2	(10) + (14)
(19) TE	384.4	417.5	33.1	(11) + (15)
(20) <b>Total</b>	<b>2,366.0</b>	<b>3,100.8</b>	<b>734.8</b>	<b>Sum: [ (17) through (19) ]</b>

<b>Depreciation Exp</b>				
(21) CEI	60.0	95.2	35.2	Sch B-3.2 (Actual) Line 46
(22) OE	62.0	100.9	38.9	Sch B-3.2 (Actual) Line 48
(23) TE	24.5	38.0	13.5	Sch B-3.2 (Actual) Line 45
(24) <b>Total</b>	<b>146.5</b>	<b>234.1</b>	<b>87.6</b>	<b>Sum: [ (21) through (23) ]</b>

<b>Property Tax Exp</b>				
(25) CEI	65.0	102.7	37.7	Sch C-3.10a (Actual) Line 4
(26) OE	57.4	89.0	31.6	Sch C-3.10a (Actual) Line 4
(27) TE	20.1	30.0	9.9	Sch C-3.10a (Actual) Line 4
(28) <b>Total</b>	<b>142.4</b>	<b>221.7</b>	<b>79.2</b>	<b>Sum: [ (25) through (27) ]</b>

	Rate Base	Return 8.48%	Deprec	Prop Tax	Rev. Req.
(29) CEI	311.5	26.4	35.2	37.7	99.3
(30) OE	390.2	33.1	38.9	31.6	103.6
(31) TE	33.1	2.8	13.5	9.9	26.2
(32) <b>Total</b>	<b>734.8</b>	<b>62.3</b>	<b>87.6</b>	<b>79.2</b>	<b>229.1</b>

<b>Capital Structure &amp; Returns</b>				
	% mix	rate	wtd rate	
(33) Debt	51%	6.54%	3.3%	
(34) Equity	49%	10.50%	5.1%	
(35)			<b>8.48%</b>	

	(a)	(b)	(c)	(d)	(e)	(f)
<b>Revenue Requirement with Tax</b>	<b>Equity Return</b>	<b>Tax Rate</b>	<b>Income Tax</b>	<b>CAT 0.26%</b>	<b>Taxes</b>	<b>Rev. Req. + Tax</b>
(36) CEI	16.0	35.95%	9.0	0.3	9.3	108.6
(37) OE	20.1	35.85%	11.2	0.3	11.5	115.1
(38) TE	1.7	35.70%	0.9	0.1	1.0	27.3
(39) <b>Total</b>	<b>37.8</b>		<b>21.2</b>	<b>0.7</b>	<b>21.8</b>	<b>250.9</b>

(a) = Weighted Cost of Equity x Rate Base  
 (b) = Current composite income tax rates

(c) = (a) x (1 / (1-(b))) - 1  
 (d) = (Rev. Req. + (c)) x (1/(1-.26%) - 1)

(e) = (c) + (d)  
 (f) = (e) + Rev. Req. from Lines 29-31

Ohio Edison Company: 16-1820-EL-RDR  
11/30/2016 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Actual)

Page 1 of 4

NOTE: Column A contains actual plant in service balances as of 11/30/2016, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports. Column B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Actual 11/30/2016 Plant in Service Balances" worksheet.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>TRANSMISSION PLANT</u>							
1	350	Land & Land Rights	\$ 95,248,930	100%	\$ 95,248,930	\$ (86,973,963)	\$ 8,274,967
2	352	Structures & Improvements	\$ 11,951,054	100%	\$ 11,951,054		\$ 11,951,054
3	353	Station Equipment	\$ 110,030,042	100%	\$ 110,030,042		\$ 110,030,042
4	354	Towers & Fixtures	\$ 276,919	100%	\$ 276,919		\$ 276,919
5	355	Poles & Fixtures	\$ 26,955,478	100%	\$ 26,955,478		\$ 26,955,478
6	356	Overhead Conductors & Devices	\$ 37,603,715	100%	\$ 37,603,715		\$ 37,603,715
7	357	Underground Conduit	\$ 1,540,142	100%	\$ 1,540,142		\$ 1,540,142
8	358	Underground Conductors & Devices	\$ 16,496,587	100%	\$ 16,496,587		\$ 16,496,587
9	359	Roads & Trails	\$ 34,404	100%	\$ 34,404		\$ 34,404
10		Total Transmission Plant	\$ 300,137,270	100%	\$ 300,137,270	\$ (86,973,963)	\$ 213,163,307

Ohio Edison Company: 16-1820-EL-RDR  
11/30/2016 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Actual)

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NOTE: Column A contains actual plant in service balances as of 11/30/2016, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports. Column B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Actual 11/30/2016 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>DISTRIBUTION PLANT</u>							
11	360	Land & Land Rights	\$ 12,591,730	100%	\$ 12,591,730		\$ 12,591,730
12	361	Structures & Improvements	\$ 15,131,410	100%	\$ 15,131,410		\$ 15,131,410
13	362	Station Equipment	\$ 258,053,084	100%	\$ 258,053,084		\$ 258,053,084
14	364	Poles, Towers & Fixtures	\$ 495,619,952	100%	\$ 495,619,952		\$ 495,619,952
15	365	Overhead Conductors & Devices	\$ 729,471,093	100%	\$ 729,471,093		\$ 729,471,093
16	366	Underground Conduit	\$ 66,896,471	100%	\$ 66,896,471		\$ 66,896,471
17	367	Underground Conductors & Devices	\$ 313,721,357	100%	\$ 313,721,357		\$ 313,721,357
18	368	Line Transformers	\$ 490,243,710	100%	\$ 490,243,710		\$ 490,243,710
19	369	Services	\$ 131,593,839	100%	\$ 131,593,839		\$ 131,593,839
20	370	Meters	\$ 152,685,526	100%	\$ 152,685,526		\$ 152,685,526
21	371	Installation on Customer Premises	\$ 24,520,639	100%	\$ 24,520,639		\$ 24,520,639
22	373	Street Lighting & Signal Systems	\$ 73,704,288	100%	\$ 73,704,288		\$ 73,704,288
23	374	Asset Retirement Costs for Distribution Plant	\$ 22,272	100%	\$ 22,272		\$ 22,272
24		Total Distribution Plant	\$ 2,764,255,372	100%	\$ 2,764,255,372	\$ -	\$ 2,764,255,372

Ohio Edison Company: 16-1820-EL-RDR  
11/30/2016 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Actual)

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NOTE: Column A contains actual plant in service balances as of 11/30/2016, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports. Column B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Actual 11/30/2016 Plant in Service Balances" worksheet.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>GENERAL PLANT</u>							
25	389	Land & Land Rights	\$ 3,257,286	100%	\$ 3,257,286		\$ 3,257,286
26	390	Structures & Improvements	\$ 99,304,852	100%	\$ 99,304,852		\$ 99,304,852
27	390.3	Leasehold Improvements	\$ 108,959	100%	\$ 108,959		\$ 108,959
28	391.1	Office Furniture & Equipment	\$ 6,653,672	100%	\$ 6,653,672		\$ 6,653,672
29	391.2	Data Processing Equipment	\$ 9,165,919	100%	\$ 9,165,919		\$ 9,165,919
30	392	Transportation Equipment	\$ 2,238,571	100%	\$ 2,238,571		\$ 2,238,571
31	393	Stores Equipment	\$ 1,265,913	100%	\$ 1,265,913		\$ 1,265,913
32	394	Tools, Shop & Garage Equipment	\$ 15,467,820	100%	\$ 15,467,820		\$ 15,467,820
33	395	Laboratory Equipment	\$ 5,373,033	100%	\$ 5,373,033		\$ 5,373,033
34	396	Power Operated Equipment	\$ 3,952,498	100%	\$ 3,952,498		\$ 3,952,498
35	397	Communication Equipment	\$ 31,479,432	100%	\$ 31,479,432		\$ 31,479,432
36	398	Miscellaneous Equipment	\$ 413,561	100%	\$ 413,561		\$ 413,561
37	399.1	Asset Retirement Costs for General Plant	<u>\$ 303,410</u>	100%	<u>\$ 303,410</u>		<u>\$ 303,410</u>
38		Total General Plant	\$ 178,984,926	100%	\$ 178,984,926	\$ -	\$ 178,984,926

Ohio Edison Company: 16-1820-EL-RDR  
11/30/2016 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Actual)

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NOTE: Column A contains actual plant in service balances as of 11/30/2016, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports. Column B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Actual 11/30/2016 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>OTHER PLANT</u>							
39	301	Organization	\$ 89,746	100%	\$ 89,746		\$ 89,746
40	303	Intangible Software	\$ 77,229,262	100%	\$ 77,229,262		\$ 77,229,262
41	303	Intangible FAS 109 Transmission	\$ 2,023,278	100%	\$ 2,023,278		\$ 2,023,278
42	303	Intangible FAS 109 Distribution	\$ 1,593,443	100%	\$ 1,593,443		\$ 1,593,443
43	303	Intangible FAS 109 General	\$ 199,091	100%	\$ 199,091		\$ 199,091
44		Total Other Plant	<u>\$ 81,134,821</u>		<u>\$ 81,134,821</u>	\$ -	<u>\$ 81,134,821</u>
45		Company Total Plant	<u>\$ 3,324,512,388</u>	100%	<u>\$ 3,324,512,388</u>	<u>\$ (86,973,963)</u>	<u>\$ 3,237,538,425</u>
46		Service Company Plant Allocated*					\$ 113,560,685
47		Grand Total Plant (45 + 46)					<u>\$ 3,351,099,110</u>

\* Source: Line 2 of the "Service Company Allocations to the Ohio Operating Companies (Actual)" workpaper.



Ohio Edison Company: 16-1820-EL-RDR  
 11/30/2016 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Actual)  
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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 11/30/2016, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Actual 11/30/2016 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company		Reserve Balances			
			Sch B2.1 (Actual)	Column E	Total Company	Allocation %	Allocated Total	Adjustments
			(A)	(B)	(C)	(D) = (B) * (C)	(E)	(F) = (D) + (E)
<u>TRANSMISSION PLANT</u>								
1	350	Land & Land Rights	\$ 8,274,967	\$ 22,598	100%	\$ 22,598		\$ 22,598
2	352	Structures & Improvements	\$ 11,951,054	\$ 8,083,537	100%	\$ 8,083,537		\$ 8,083,537
3	353	Station Equipment	\$ 110,030,042	\$ 58,470,185	100%	\$ 58,470,185		\$ 58,470,185
4	354	Towers & Fixtures	\$ 276,919	\$ 302,866	100%	\$ 302,866		\$ 302,866
5	355	Poles & Fixtures	\$ 26,955,478	\$ 22,586,180	100%	\$ 22,586,180		\$ 22,586,180
6	356	Overhead Conductors & Devices	\$ 37,603,715	\$ 20,482,950	100%	\$ 20,482,950		\$ 20,482,950
7	357	Underground Conduit	\$ 1,540,142	\$ 919,476	100%	\$ 919,476		\$ 919,476
8	358	Underground Conductors & Devices	\$ 16,496,587	\$ 5,307,158	100%	\$ 5,307,158		\$ 5,307,158
9	359	Roads & Trails	\$ 34,404	\$ 589	100%	\$ 589		\$ 589
10		Total Transmission Plant	\$ 213,163,307	\$ 116,175,540	100%	\$ 116,175,540	\$0	\$ 116,175,540

Ohio Edison Company: 16-1820-EL-RDR  
11/30/2016 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Actual)  
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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 11/30/2016, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Actual 11/30/2016 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company		Reserve Balances			
			Sch B2.1 (Actual) Column E (A)	Plant Investment Column E (B)	Total Company (B)	Allocation % (C)	Allocated Total (D) = (B) * (C)	Adjustments (E)
<u>DISTRIBUTION PLANT</u>								
11	360	Land & Land Rights	\$ 12,591,730	\$ 9,193	100%	\$ 9,193		\$ 9,193
12	361	Structures & Improvements	\$ 15,131,410	\$ 5,888,897	100%	\$ 5,888,897		\$ 5,888,897
13	362	Station Equipment	\$ 258,053,084	\$ 104,666,724	100%	\$ 104,666,724		\$ 104,666,724
14	364	Poles, Towers & Fixtures	\$ 495,619,952	\$ 235,713,764	100%	\$ 235,713,764		\$ 235,713,764
15	365	Overhead Conductors & Devices	\$ 729,471,093	\$ 180,879,204	100%	\$ 180,879,204		\$ 180,879,204
16	366	Underground Conduit	\$ 66,896,471	\$ 25,198,970	100%	\$ 25,198,970		\$ 25,198,970
17	367	Underground Conductors & Devices	\$ 313,721,357	\$ 78,761,010	100%	\$ 78,761,010		\$ 78,761,010
18	368	Line Transformers	\$ 490,243,710	\$ 216,803,224	100%	\$ 216,803,224		\$ 216,803,224
19	369	Services	\$ 131,593,839	\$ 85,404,674	100%	\$ 85,404,674		\$ 85,404,674
20	370	Meters	\$ 152,685,526	\$ 36,794,068	100%	\$ 36,794,068		\$ 36,794,068
21	371	Installation on Customer Premises	\$ 24,520,639	\$ 14,778,096	100%	\$ 14,778,096		\$ 14,778,096
22	373	Street Lighting & Signal Systems	\$ 73,704,288	\$ 36,832,710	100%	\$ 36,832,710		\$ 36,832,710
23	374	Asset Retirement Costs for Distribution Plant	\$ 22,272	\$ 13,805	100%	\$ 13,805		\$ 13,805
24		Total Distribution Plant	\$ 2,764,255,372	\$ 1,021,744,339	100%	\$ 1,021,744,339	\$ -	\$ 1,021,744,339

Ohio Edison Company: 16-1820-EL-RDR  
 11/30/2016 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Actual)  
 Page 3 of 4

NOTE: Column B contains actual reserve for accumulated depreciation balances as of 11/30/2016, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Actual 11/30/2016 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company		Reserve Balances			
			Sch B2.1 (Actual) Column E (A)	Plant Investment Column E (B)	Total Company (B)	Allocation % (C)	Allocated Total (D) = (B) * (C)	Adjustments (E)
<u>GENERAL PLANT</u>								
25	389	Land & Land Rights	\$ 3,257,286	\$ (74,752)		100%	\$ (74,752)	\$ (74,752)
26	390	Structures & Improvements	\$ 99,304,852	\$ 38,587,178		100%	\$ 38,587,178	\$ 38,587,178
27	390.3	Leasehold Improvements	\$ 108,959	\$ 108,959		100%	\$ 108,959	\$ 108,959
28	391.1	Office Furniture & Equipment	\$ 6,653,672	\$ 5,612,093		100%	\$ 5,612,093	\$ 5,612,093
29	391.2	Data Processing Equipment	\$ 9,165,919	\$ 2,391,718		100%	\$ 2,391,718	\$ 2,391,718
30	392	Transportation Equipment	\$ 2,238,571	\$ 219,049		100%	\$ 219,049	\$ 219,049
31	393	Stores Equipment	\$ 1,265,913	\$ 796,013		100%	\$ 796,013	\$ 796,013
32	394	Tools, Shop & Garage Equipment	\$ 15,467,820	\$ 2,777,264		100%	\$ 2,777,264	\$ 2,777,264
33	395	Laboratory Equipment	\$ 5,373,033	\$ 2,845,936		100%	\$ 2,845,936	\$ 2,845,936
34	396	Power Operated Equipment	\$ 3,952,498	\$ 3,405,851		100%	\$ 3,405,851	\$ 3,405,851
35	397	Communication Equipment	\$ 31,479,432	\$ 18,617,597		100%	\$ 18,617,597	\$ 18,617,597
36	398	Miscellaneous Equipment	\$ 413,561	\$ 374,104		100%	\$ 374,104	\$ 374,104
37	399.1	Asset Retirement Costs for General Plant	\$ 303,410	\$ 191,947		100%	\$ 191,947	\$ 191,947
38		Total General Plant	\$ 178,984,926	\$ 75,852,959		100%	\$ 75,852,959	\$ -

Ohio Edison Company: 16-1820-EL-RDR  
11/30/2016 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Actual)  
Page 4 of 4

NOTE: Column B contains actual reserve for accumulated depreciation balances as of 11/30/2016, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Actual 11/30/2016 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company		Reserve Balances			
			Sch B2.1 (Actual)	Column E	Total Company	Allocation %	Allocated Total	Adjustments
			(A)	(B)	(C)	(D) = (B) * (C)	(E)	(F) = (D) + (E)
<u>OTHER PLANT</u>								
39	301	Organization	\$ 89,746	\$ 40,523	100%	\$ 40,523		\$ 40,523
40	303	Intangible Software	\$ 77,229,262	\$ 58,522,659	100%	\$ 58,522,659		\$ 58,522,659
41	303	Intangible FAS 109 Transmission	\$ 2,023,278	\$ 697,049	100%	\$ 697,049		\$ 697,049
42	303	Intangible FAS 109 Distribution	\$ 1,593,443	\$ 1,556,361	100%	\$ 1,556,361		\$ 1,556,361
43	303	Intangible FAS 109 General	\$ 199,091	\$ 184,026	100%	\$ 184,026		\$ 184,026
44		Total Other Plant	\$ 81,134,821	\$ 61,000,618		\$ 61,000,618	\$ -	\$ 61,000,618
45		Removal Work in Progress (RWIP)		\$ (12,271,945)	100%	\$ (12,271,945)		\$ (12,271,945)
46		Company Total Plant (Reserve)	<u>\$ 3,237,538,425</u>	<u>\$ 1,262,501,510</u>	100%	<u>\$ 1,262,501,510</u>	<u>\$ -</u>	<u>\$ 1,262,501,510</u>
47		Service Company Reserve Allocated*						\$ 54,925,255
48		Grand Total Plant (Reserve) (46 + 47)						<u>\$ 1,317,426,765</u>

\* Source: Line 3 of the "Service Company Allocations to the Ohio Operating Companies (Actual)" workpaper.

The Cleveland Electric Illuminating Company: 16-1819-EL-RDR  
 Ohio Edison Company: 16-1820-EL-RDR  
 The Toledo Edison Company: 16-1821-EL-RDR

FirstEnergy Companies  
 ADIT Balances (281 & 282 Property Accounts) - Actual

	<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>SC</u>
(1) Ending Bal. 11/30/2016*	456,006,288	556,598,673	145,674,402	75,378,217
(2) Service Company Allocated ADIT**	\$ 10,711,245	\$ 12,980,129	\$ 5,713,669	
(3) Grand Total ADIT Balance***	<u>\$ 466,717,532</u>	<u>\$ 569,578,802</u>	<u>\$ 151,388,071</u>	

\*Source: Actual 11/30/2016 balances.

\*\* Line 4 of the "Service Company Allocations to the Ohio Operating Companies (Actual)" workpaper.

\*\*\* Calculation : Line 1 + Line 2

Ohio Edison Company: 16-1820-EL-RDR  
Annual Depreciation Expense on Actual Plant Balances as of November 30, 2016

Schedule B-3.2 (Actual)  
Page 1 of 4

NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depr. Expense
			Plant Investment Sch. B-2.1 (Actual)	Reserve Balance Sch. B-3 (Actual)		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>TRANSMISSION PLANT</u>						
1	350	Land & Land Rights	\$ 8,274,967	\$ 22,598	0.00%	\$ -
2	352	Structures & Improvements	\$ 11,951,054	\$ 8,083,537	2.06%	\$ 246,192
3	353	Station Equipment	\$ 110,030,042	\$ 58,470,185	2.20%	\$ 2,420,661
4	354	Towers & Fixtures	\$ 276,919	\$ 302,866	1.82%	\$ 5,040
5	355	Poles & Fixtures	\$ 26,955,478	\$ 22,586,180	2.98%	\$ 803,273
6	356	Overhead Conductors & Devices	\$ 37,603,715	\$ 20,482,950	2.55%	\$ 958,895
7	357	Underground Conduit	\$ 1,540,142	\$ 919,476	1.67%	\$ 25,720
8	358	Underground Conductors & Devices	\$ 16,496,587	\$ 5,307,158	2.00%	\$ 329,932
9	359	Roads & Trails	\$ 34,404	\$ 589	0.00%	\$ -
10		Total Transmission	\$ 213,163,307	\$ 116,175,540		\$ 4,789,713

Ohio Edison Company: 16-1820-EL-RDR  
Annual Depreciation Expense on Actual Plant Balances as of November 30, 2016

Schedule B-3.2 (Actual)  
Page 2 of 4

NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depr. Expense
			Plant Investment Sch. B-2.1 (Actual) (D)	Reserve Balance Sch. B-3 (Actual) (E)		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>DISTRIBUTION PLANT</u>						
11	360	Land & Land Rights	\$ 12,591,730	\$ 9,193	0.00%	\$ -
12	361	Structures & Improvements	\$ 15,131,410	\$ 5,888,897	2.45%	\$ 370,720
13	362	Station Equipment	\$ 258,053,084	\$ 104,666,724	2.55%	\$ 6,580,354
14	364	Poles, Towers & Fixtures	\$ 495,619,952	\$ 235,713,764	2.93%	\$ 14,521,665
15	365	Overhead Conductors & Devices	\$ 729,471,093	\$ 180,879,204	2.70%	\$ 19,695,720
16	366	Underground Conduit	\$ 66,896,471	\$ 25,198,970	1.50%	\$ 1,003,447
17	367	Underground Conductors & Devices	\$ 313,721,357	\$ 78,761,010	2.07%	\$ 6,494,032
18	368	Line Transformers	\$ 490,243,710	\$ 216,803,224	3.50%	\$ 17,158,530
19	369	Services	\$ 131,593,839	\$ 85,404,674	3.13%	\$ 4,118,887
20	370	Meters	\$ 152,685,526	\$ 36,794,068	3.24%	\$ 4,947,011
21	371	Installation on Customer Premises	\$ 24,520,639	\$ 14,778,096	4.44%	\$ 1,088,716
22	373	Street Lighting & Signal Systems	\$ 73,704,288	\$ 36,832,710	4.20%	\$ 3,095,580
23	374	Asset Retirement Costs for Distribution Plant	\$ 22,272	\$ 13,805	0.00%	\$ -
24		Total Distribution	\$ 2,764,255,372	\$ 1,021,744,339		\$ 79,074,662

Ohio Edison Company: 16-1820-EL-RDR  
Annual Depreciation Expense on Actual Plant Balances as of November 30, 2016

Schedule B-3.2 (Actual)  
Page 3 of 4

NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depr. Expense
			Plant Investment Sch. B-2.1 (Actual) (D)	Reserve Balance Sch. B-3 (Actual) (E)		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>GENERAL PLANT</u>						
25	389	Land & Land Rights	\$ 3,257,286	\$ (74,752)	0.00%	\$ -
26	390	Structures & Improvements	\$ 99,304,852	\$ 38,587,178	2.50%	\$ 2,482,621
27	390.3	Leasehold Improvements	\$ 108,959	\$ 108,959	20.78%	\$ 22,642
28	391.1	Office Furniture & Equipment	\$ 6,653,672	\$ 5,612,093	3.80%	\$ 252,840
29	391.2	Data Processing Equipment	\$ 9,165,919	\$ 2,391,718	17.00%	\$ 1,558,206
30	392	Transportation Equipment	\$ 2,238,571	\$ 219,049	7.31%	\$ 163,640
31	393	Stores Equipment	\$ 1,265,913	\$ 796,013	2.56%	\$ 32,407
32	394	Tools, Shop & Garage Equipment	\$ 15,467,820	\$ 2,777,264	3.17%	\$ 490,330
33	395	Laboratory Equipment	\$ 5,373,033	\$ 2,845,936	3.80%	\$ 204,175
34	396	Power Operated Equipment	\$ 3,952,498	\$ 3,405,851	3.48%	\$ 137,547
35	397	Communication Equipment	\$ 31,479,432	\$ 18,617,597	5.00%	\$ 1,573,972
36	398	Miscellaneous Equipment	\$ 413,561	\$ 374,104	4.00%	\$ 16,542
37	399.1	Asset Retirement Costs for General Plant	\$ 303,410	\$ 191,947	0.00%	\$ -
38		Total General	\$ 178,984,926	\$ 75,852,959		\$ 6,934,922



Ohio Edison Company: 16-1820-EL-RDR  
Annual Depreciation Expense on Actual Plant Balances as of November 30, 2016

Schedule B-3.2 (Actual)  
Page 4 of 4

NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depr. Expense
			Plant Investment Sch. B-2.1 (Actual)	Reserve Balance Sch. B-3 (Actual)		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>OTHER PLANT</u>						
39	301	Organization	\$ 89,746	\$ 40,523	0.00%	*
40	303	Intangible Software	\$ 77,229,262	\$ 58,522,659	14.29%	*
41	303	Intangible FAS 109 Transmission	\$ 2,023,278	\$ 697,049	2.33%	*
42	303	Intangible FAS 109 Distribution	\$ 1,593,443	\$ 1,556,361	2.89%	*
43	303	Intangible FAS 109 General	\$ 199,091	\$ 184,026	3.87%	*
44		Total Other	\$ 81,134,821	\$ 61,000,618		\$ 4,741,242
45		Removal Work in Progress (RWIP)		(12,271,945)		
46		Company Total Depreciation	\$ 3,237,538,425	\$ 1,262,501,510		\$ 95,540,539
47		Incremental Depreciation Associated with Allocated Service Company Plant **	\$ 113,560,685	\$ 54,925,255		\$ 5,351,171
48		GRAND TOTAL (46 + 47)	\$ 3,351,099,110	\$ 1,317,426,765		\$ 100,891,710

\* Please see the "Intangible Depreciation Expense Calculation: Actual 11/30/2016 Balances" workpaper for more details behind the calculation of depreciation expense associated with Intangible Plant.

\*\* Source: Line 6 of the "Service Company Allocations to the Ohio Operating Companies (Actual)" workpaper.

Ohio Edison Company: 16-1820-EL-RDR

Annual Property Tax Expense on Actual Plant Balances as of November 30, 2016

Schedule C-3.10a (Actual)  
Page 1 of 1

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Line No.	Description	Jurisdictional Amount
1	Personal Property Taxes - See Schedule C-3.10a1 (Actual)	\$ 87,399,445
2	Real Property Taxes - See Schedule C-3.10a2 (Actual)	\$ 1,515,415
3	Incremental Property Tax Associated with Allocated Service Company Plant *	<u>\$ 65,754</u>
4	Total Property Taxes (1 + 2 + 3)	<u><u>\$ 88,980,613</u></u>

\* Source: Line 7 of the "Service Company Allocations to the Ohio Operating Companies (Actual)" workpaper.

## Ohio Edison Company: 16-1820-EL-RDR

## Annual Personal Property Tax Expense on Actual Plant Balances as of November 30, 2016

Schedule C-3.10a1 (Actual)

Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Plant in Service (a)	\$ 213,163,307	\$ 2,764,255,372	\$ 178,984,926
2	Jurisdictional Real Property (b)	\$ 20,226,021	\$ 27,723,139	\$ 102,671,097
3	Jurisdictional Personal Property (1 - 2)	\$ 192,937,286	\$ 2,736,532,232	\$ 76,313,830
	<u>Exclusions and Exemptions</u>			
4	Capitalized Asset Retirement Costs (a)	\$ -	\$ 22,272	\$ 303,410
5	Exempt Facilities (c)	\$ 575,438	\$ 2,655,801	\$ -
6	Real Property Classified as Personal Property (c)	\$ -	\$ 179,795,456	\$ -
7	Licensed Motor Vehicles (c)	\$ -	\$ -	\$ 3,889,004
8	Capitalized Interest (f)	\$ 13,567,350	\$ 113,182,425.82	\$ -
9	Total Exclusions and Exemptions (4 thru 8)	\$ 14,142,788	\$ 295,655,955	\$ 4,192,414
10	Net Cost of Taxable Personal Property (3 - 9)	\$ 178,794,498	\$ 2,440,876,277	\$ 72,121,416
11	True Value Percentage (c)	<u>36.7014%</u>	<u>46.2442%</u>	<u>40.0657%</u>
12	True Value of Taxable Personal Property (10 x 11)	\$ 65,620,084	\$ 1,128,763,707	\$ 28,895,950
13	Assessment Percentage (d)	<u>85.00%</u>	<u>85.00%</u>	<u>24.00%</u>
14	Assessment Value (12 x 13)	\$ 55,777,071	\$ 959,449,151	\$ 6,935,028
15	Personal Property Tax Rate (e)	<u>8.4914150%</u>	<u>8.4914150%</u>	<u>8.4914150%</u>
16	Personal Property Tax (14 x 15)	\$ 4,736,263	\$ 81,470,809	\$ 588,882
17	State Mandated Software Adjustment (c)	\$ -	\$ -	\$ 603,491
18	Total Personal Property Tax (16 + 17)			<u>\$ 87,399,445</u>

(a) Schedule B-2.1 (Actual)

(b) Schedule B-2.1 (Actual), Accounts 350, 352, 360, 361, 389, 390 and 390.3

(c) Source: OE's most recent Ohio Annual Property Tax Return Filing

(d) Statutory Assessment for Personal Property

(e) Estimated tax rate for Personal Property based on the most recent Ohio Annual Property Tax Return Filing

(f) Calculation: Line 3 x Percentage from the most recent Ohio Annual Property Tax Return Filing

Ohio Edison Company: 16-1820-EL-RDR

Annual Real Property Tax Expense on Actual Plant Balances as of November 30, 2016

Schedule C-3.10a2 (Actual)  
Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Real Property (a)	\$ 20,226,021	\$ 27,723,139	\$ 102,671,097
2	Real Property Tax Rate (b)	<u>1.006116%</u>	<u>1.006116%</u>	<u>1.006116%</u>
3	Real Property Tax (1 x 2)	\$ 203,497	\$ 278,927	\$ 1,032,990
4	Total Real Property Tax (Sum of 3)			<u><u>\$ 1,515,415</u></u>

(a) Schedule C-3.10a1 (Actual)

(b) Estimated tax rate for Real Estate based on the most recent Ohio Annual Property Tax Return Filing.

Calculated as follows:

(1) Real Property Capitalized Cost	\$ 227,294,730	Book cost of real property used to compare to assessed
(2) Real Property Taxes Paid	<u>\$2,286,849</u>	value of real property to derive a true value percentage
(3) Real Property Tax Rate (Paid vs. Capital Costs)	<u><u>1.006116%</u></u>	Calculation: (2) / (1)

The Cleveland Electric Illuminating Company: 16-1819-EL-RDR  
 Ohio Edison Company: 16-1820-EL-RDR  
 The Toledo Edison Company: 16-1821-EL-RDR

**Summary of Exclusions per Case No. 14-1297-EL-SSO  
 Actual 11/30/2016 Plant in Service Balances**

**General Adjustments**

**ATSI Land Lease** Certain amounts (summarized below) in account 350 are associated with land leased to ATSI, FirstEnergy's transmission subsidiary. Consistent with Case No. 07-551-EL-AIR, these amounts are not jurisdictional to distribution related plant in service, and have been excluded accordingly for each operating company. There is no accumulated depreciation reserve associated with land.

FERC Account 350	CEI	OE	TE
Gross Plant	\$ 56,405,971	\$ 86,973,963	\$ 15,628,387
Reserve	\$ -	\$ -	\$ -

**ESP IV Adjustments**

Consistent with prior ESPs, "capital additions recovered through Riders LEX, EDR, and AMI will be identified and excluded from Rider DCR and the annual cap allowance" during ESP IV.

**AMI** Only CEI has an AMI project so this exclusion does not impact OE or TE.  
 Source: 11/30/2016 Actual Plant Balances  
 Exclusions related to Rider AMI are determined by specific depreciation groups in PowerPlant and WBS CE-004000

FERC Account	CEI	
	Gross	Reserve
303	\$ (1,795,631)	\$ 2,697
362	\$ 5,402,201	\$ 1,178,288
364	\$ 174,161	\$ 38,689
365	\$ 1,554,239	\$ 815,971
367	\$ 12,358	\$ 1,998
368	\$ 208,367	\$ 80,617
370	\$ 17,884,914	\$ 5,385,940
397	\$ 4,789,785	\$ 1,479,356
Grand Total	\$ 28,230,395	\$ 8,983,556

**LEX** As implemented by the Companies, Rider LEX will recover deferred expenses associated with lost up-front line extension payments from 2009-2011. These deferred expenses are recorded as a regulatory asset, not as plant in service, on the Companies' books. Therefore, there is no adjustment to plant in service associated with Rider LEX.

**EDR** Exclusions related to Rider EDR(g) are determined by the WBS CE-000303.

FERC Account	CEI	
	Gross	Reserve
353	\$ 287	\$ (722)
356	\$ (815)	\$ 15
358	\$ 30,229	\$ 863
360	\$ -	\$ -
362	\$ 33,226	\$ 1,122
364	\$ (32,304)	\$ (5,444)
365	\$ (13,793)	\$ (1,375)
366	\$ -	\$ 1,905
367	\$ (8,984)	\$ 8,783
368	\$ (32,380)	\$ (560)
369	\$ (796)	\$ 9
370	\$ 27,317	\$ 97
371	\$ (6,159)	\$ (821)
373	\$ (2,721)	\$ (390)
390	\$ (0)	\$ 225
Grand Total	\$ (6,894)	\$ 3,705

The Cleveland Electric Illuminating Company: 16-1819-EL-RDR  
 Ohio Edison Company: 16-1820-EL-RDR  
 The Toledo Edison Company: 16-1821-EL-RDR

**Service Company Allocations to the Ohio Operating Companies (Actual)**

	(A) Service Company	(B) CEI	(C) OE	(D) TE	(E) TOTAL
(1) Allocation Factors from Case 07-551		14.21%	17.22%	7.58%	
(2) Gross Plant	\$ 659,469,714	\$ 93,710,646	\$ 113,560,685	\$ 49,987,804	\$ 257,259,136
(3) Reserve	\$ 318,961,991	\$ 45,324,499	\$ 54,925,255	\$ 24,177,319	\$ 124,427,073
(4) ADIT	\$ 75,378,217	\$ 10,711,245	\$ 12,980,129	\$ 5,713,669	\$ 29,405,043
(5) <b>Rate Base</b>	<b>\$ 37,674,903</b>	<b>\$ 45,655,301</b>	<b>\$ 20,096,817</b>	<b>\$ 103,427,020</b>	
(6) Depreciation Expense (Incremental)		\$ 4,415,804	\$ 5,351,171	\$ 2,355,510	\$ 12,122,485
(7) Property Tax Expense (Incremental)		\$ 54,260	\$ 65,754	\$ 28,944	\$ 148,958
(8) <b>Total Expenses</b>		<b>\$ 4,470,064</b>	<b>\$ 5,416,925</b>	<b>\$ 2,384,454</b>	<b>\$ 12,271,442</b>

- (2) Gross Plant = Actual Service Company General and Intangible plant in-service as of 11/30/2016, adjusted to incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR audit reports.
- (3) Reserve = Actual Service Company General and Intangible Plant depreciation reserve as of 11/30/2016, adjusted to incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR audit reports.
- (4) ADIT: Actual ADIT Balances as of 11/30/2016.
- (5) Rate Base = Gross Plant - Reserve - ADIT
- (6) Estimated incremental depreciation expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant: Case No. 07-551-EL-AIR vs. Actual 11/30/2016"
- (7) Estimated incremental property tax expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant: Case No. 07-551-EL-AIR vs. Actual 11/30/2016"
- (8) Total Expenses = Depreciation Expense + Property Tax Expense

All Service Company Allocations for Gross Plant and Reserve can be found on Sch B2.1 (Actual) and Sch B3 (Actual), respectively, in order to determine the Grand Totals shown on the "Rider DCR Actual Distribution Rate Base Additions as of 11/30/2016: Revenue Requirement" workpaper.

**Depreciation Rate for Service Company Plant (Actual)**

**I. Estimated Depreciation Accrual Rate for Service Company Plant as of May 31, 2007**

Line No.	(A) Account	(B) Account Description	(C) 5/31/2007			(F) Accrual Rates				(J) Depreciation Expense
			Gross	Reserve	Net	CEI	OE	TE	Average	
1	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
2	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
<b>GENERAL PLANT</b>										
3	389	Fee Land & Easements	\$ 556,979	\$ -	\$ 556,979	0.00%	0.00%	0.00%	0.00%	\$ -
4	390	Structures, Improvements *	\$ 21,328,601	\$ 7,909,208	\$ 13,419,393	2.20%	2.50%	2.20%	2.33%	\$ 497,474
5	390.3	Struct Imprv, Leasehold Imp **	\$ 6,938,688	\$ 1,006,139	\$ 5,932,549	22.34%	20.78%	0.00%	21.49%	\$ 1,490,798
6	391.1	Office Furn., Mech. Equip.	\$ 31,040,407	\$ 24,400,266	\$ 6,640,141	7.60%	3.80%	3.80%	5.18%	\$ 1,609,200
7	391.2	Data Processing Equipment	\$ 117,351,991	\$ 26,121,795	\$ 91,230,196	10.56%	17.00%	9.50%	13.20%	\$ 15,486,721
8	392	Transportation Equipment	\$ 11,855	\$ 1,309	\$ 10,546	6.07%	7.31%	6.92%	6.78%	\$ 804
9	393	Stores Equipment	\$ 16,787	\$ 1,447	\$ 15,340	6.67%	2.56%	3.13%	4.17%	\$ 700
10	394	Tools, Shop, Garage Equip.	\$ 11,282	\$ 506	\$ 10,776	4.62%	3.17%	3.33%	3.73%	\$ 421
11	395	Laboratory Equipment	\$ 127,988	\$ 11,126	\$ 116,862	2.31%	3.80%	2.86%	3.07%	\$ 3,935
12	396	Power Operated Equipment	\$ 160,209	\$ 20,142	\$ 140,067	4.47%	3.48%	5.28%	4.19%	\$ 6,713
13	397	Communication Equipment ***	\$ 56,845,501	\$ 32,304,579	\$ 24,540,922	7.50%	5.00%	5.88%	6.08%	\$ 3,457,148
14	398	Misc. Equipment	\$ 465,158	\$ 27,982	\$ 437,176	6.67%	4.00%	3.33%	4.84%	\$ 22,525
15	399.1	ARC General Plant	\$ 40,721	\$ 16,948	\$ 23,773	0.00%	0.00%	0.00%	0.00%	\$ -
16			\$ 234,896,167	\$ 91,821,447	\$ 143,074,720					\$ 22,576,438
<b>INTANGIBLE PLANT</b>										
17	301	Organization	\$ 49,344	\$ 49,344	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -
18	303	Misc. Intangible Plant	\$ 75,721,715	\$ 46,532,553	\$ 29,189,162	14.29%	14.29%	14.29%	14.29%	\$ 10,820,633
19	303	Katz Software	\$ 1,268,271	\$ 1,027,642	\$ 240,630	14.29%	14.29%	14.29%	14.29%	\$ 181,236
20	303	Software 1999	\$ 10,658	\$ 4,881	\$ 5,777	14.29%	14.29%	14.29%	14.29%	\$ 1,523
21	303	Software GPU SC00	\$ 2,343,368	\$ 2,343,368	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
22	303	Impairment June 2000	\$ 77	\$ 77	\$ (0)	14.29%	14.29%	14.29%	14.29%	\$ -
23	303	3 year depreciable life	\$ 55,645	\$ 14,684	\$ 40,961	14.29%	14.29%	14.29%	14.29%	\$ 7,952
24	303	Debt Gross-up (FAS109): General	\$ 117,298	\$ 117,298	\$ -	3.87%	3.87%	3.87%	3.87%	\$ -
25	303	Debt Gross-up (FAS109): G/P Land	\$ 1,135	\$ 1,137	\$ (2)	3.87%	3.87%	3.87%	3.87%	\$ -
26			\$ 79,567,511	\$ 50,090,984	\$ 29,476,527					\$ 11,011,344
27	<b>TOTAL - GENERAL &amp; INTANGIBLE</b>		\$ 314,463,678	\$ 141,912,431	\$ 172,551,247				<b>10.68%</b>	<b>\$ 33,587,782</b>

**NOTES**

(C) - (E) Service Company plant balances as of May 31, 2007.

(F) - (H) Source: Case No. 07-551-EL-AIR. Staff workpapers, Schedule B3.2.

In Case No. 07-551-EL-AIR, CEI and TE did not have an accrual rate for Account 303 (FAS 109 - General). Assumed to be the same as OE.

(I) Weighted average of columns F through H based on Service Company allocation factors on Line 2.

Assumes that the accrual rate, by account, for Service Company plant is equal to the weighted average of the three operating companies.

(J) Estimated depreciation expense associated with Service Company plant as of 5/31/07. Calculation: Column C x Column I.

\* Includes accounts 390.1 and 390.2.

\*\* Weighted average accrual rate is taken over CEI and OE only. (TE had no balance in Case No. 07-551-EL-AIR).

\*\*\* Includes accounts 397 and 397.1

**Depreciation Rate for Service Company Plant (Actual)**

**II. Estimated Depreciation Accrual Rate for Actual Service Company Plant as of November 30, 2016**

Line No.	(A) Account	(B) Account Description	(C) 11/30/2016 Actual Balances			(F) Accrual Rates				(J) Depreciation Expense
			Gross	(D) Reserve	(E) Net	CEI	(G) OE	(H) TE	(I) Average	
28	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
29	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
<b>GENERAL PLANT</b>										
30	389	Fee Land & Easements	\$ 230,947	\$ -	\$ 230,947	0.00%	0.00%	0.00%	0.00%	\$ -
31	390	Structures, Improvements *	\$ 44,949,595	\$ 22,517,708	\$ 22,431,887	2.20%	2.50%	2.20%	2.33%	\$ 1,048,417
32	390.3	Struct Imprv, Leasehold Imp **	\$ 14,497,810	\$ 7,037,717	\$ 7,460,094	22.34%	20.78%	0.00%	21.49%	\$ 3,114,898
33	391.1	Office Furn., Mech. Equip.	\$ 16,794,159	\$ 9,942,683	\$ 6,851,476	7.60%	3.80%	3.80%	5.18%	\$ 870,644
34	391.2	Data Processing Equipment	\$ 142,880,279	\$ 33,972,395	\$ 108,907,884	10.56%	17.00%	9.50%	13.20%	\$ 18,855,640
35	392	Transportation Equipment	\$ 443,733	\$ 129,107	\$ 314,627	6.07%	7.31%	6.92%	6.78%	\$ 30,096
36	393	Stores Equipment	\$ 16,715	\$ 6,826	\$ 9,888	6.67%	2.56%	3.13%	4.17%	\$ 697
37	394	Tools, Shop, Garage Equip.	\$ 199,565	\$ 17,583	\$ 181,982	4.62%	3.17%	3.33%	3.73%	\$ 7,442
38	395	Laboratory Equipment	\$ 108,485	\$ 27,578	\$ 80,907	2.31%	3.80%	2.86%	3.07%	\$ 3,335
39	396	Power Operated Equipment	\$ 424,994	\$ 76,727	\$ 348,268	4.47%	3.48%	5.28%	4.19%	\$ 17,809
40	397	Communication Equipment ***	\$ 108,845,513	\$ 33,932,967	\$ 74,912,546	7.50%	5.00%	5.88%	6.08%	\$ 6,619,610
41	398	Misc. Equipment	\$ 3,214,566	\$ 966,854	\$ 2,247,712	6.67%	4.00%	3.33%	4.84%	\$ 155,662
42	399.1	ARC General Plant	\$ 40,721	\$ 25,761	\$ 14,960	0.00%	0.00%	0.00%	0.00%	\$ -
43			\$ 332,647,085	\$ 108,653,907	\$ 223,993,178					\$ 30,724,251
<b>INTANGIBLE PLANT</b>										
44	301	FECO 101/6-301 Organization Fst	\$ 49,344	\$ 49,344	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -
45	303	FECO 101/6-303 Intangibles	\$ 4,622,152	\$ 9,099,428	\$ (4,477,277)	14.29%	14.29%	14.29%	14.29%	\$ -
46	303	FECO 101/6-303 Katz Software	\$ 1,268,271	\$ 1,268,271	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
47	303	FECO 101/6-303 2003 Software	\$ 24,400,196	\$ 24,400,196	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
48	303	FECO 101/6-303 2004 Software	\$ 12,676,215	\$ 12,676,215	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
49	303	FECO 101/6-303 2005 Software	\$ 1,086,776	\$ 1,086,776	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
50	303	FECO 101/6-303 2006 Software	\$ 5,680,002	\$ 5,680,002	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
51	303	FECO 101/6-303 2007 Software	\$ 7,245,250	\$ 7,245,250	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
52	303	FECO 101/6-303 2008 Software	\$ 7,404,178	\$ 7,404,178	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
53	303	FECO 101/6-303 2009 Software	\$ 15,969,099	\$ 15,969,099	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
54	303	FECO 101/6-303 2010 Software	\$ 19,353,964	\$ 17,863,008	\$ 1,490,955	14.29%	14.29%	14.29%	14.29%	\$ 1,490,955
55	303	FECO 101/6-303 2011 Software	\$ 53,742,285	\$ 41,235,056	\$ 12,507,229	14.29%	14.29%	14.29%	14.29%	\$ 7,679,772
56	303	FECO 101/6-303 2012 Software	\$ 38,042,303	\$ 22,209,686	\$ 15,832,617	14.29%	14.29%	14.29%	14.29%	\$ 5,436,245
57	303	FECO 101/6-303 2013 Software	\$ 79,856,605	\$ 32,827,129	\$ 47,029,477	14.29%	14.29%	14.29%	14.29%	\$ 11,411,509
58	303	FECO 101/6-303 2014 Software	\$ 24,001,063	\$ 6,923,550	\$ 17,077,513	14.29%	14.29%	14.29%	14.29%	\$ 3,429,752
59	303	FECO 101/6-303 2015 Software	\$ 26,988,199	\$ 4,110,833	\$ 22,877,366	14.29%	14.29%	14.29%	14.29%	\$ 3,856,614
60	304	FECO 101/6-303 2016 Software	\$ 4,436,727	\$ 275,173	\$ 4,161,555	14.29%	14.29%	14.29%	14.29%	\$ 634,008
61			\$ 326,822,629	\$ 210,323,194	\$ 116,499,435					\$ 33,938,856
62	Removal Work in Progress (RWIP)		\$ (15,110)							
63	<b>TOTAL - GENERAL &amp; INTANGIBLE</b>		\$ 659,469,714	\$ 318,961,991	\$ 340,492,614				<b>9.81%</b>	<b>\$ 64,663,107</b>

**NOTES**

- (C) - (E) Service Company plant balances as of November 30, 2016 adjusted to incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR audit r
- (F) - (H) Source: Schedule B3.2 (Actual).
- (I) Weighted average of columns F through H based on Service Company allocation factors on Line 29.  
Assumes that the accrual rate, by account, for Service Company plant is equal to the weighted average of the three operating companies.
- (J) Estimated depreciation expense associated with Service Company plant as of 11/30/2016. Calculation: Column C x Column I.
- \* Includes accounts 390.1 and 390.2.
- \*\* Weighted average accrual rate is taken over CEI and OE only. (TE had no balance in Case No. 07-551-EL-AIR).
- \*\*\* Includes accounts 397 and 397.1



The Cleveland Electric Illuminating Company: 16-1819-EL-RDR  
 Ohio Edison Company: 16-1820-EL-RDR  
 The Toledo Edison Company: 16-1821-EL-RDR

**Property Tax Rate for Service Company Plant (Actual)**

<b>I. Average Real Property Tax Rates on General Plant as of May 31, 2007 *</b>						
No.	(A) Category	(B) CEI	(C) OE	(D) TE	(E) Average **	(F) Source / Calculation
1	Allocation Factors	14.21%	17.22%	7.58%	39.01%	"Service Company Allocations to the Ohio Operating Companies (Actual)" workpaper.
2	Weighted Allocation Factors	36.43%	44.14%	19.43%	100.00%	Weighted Line 1
<u>Real Property Tax</u>						
3	True Value Percentage	72.69%	62.14%	49.14%	63.45%	Case No. 07-551-EL-AIR.
4	Assessment Percentage	35.00%	35.00%	35.00%	35.00%	Case No. 07-551-EL-AIR.
5	Real Property Tax Rate	7.23%	6.04%	7.23%	6.70%	Case No. 07-551-EL-AIR.
6	Average Rate	1.84%	1.31%	1.24%	1.49%	Line 3 x Line 4 x Line 5
* Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax. Accordingly, for purposes of determining the average Property Tax rate applicable to Service Company plant, only Real Property Tax is considered.						
** Weighted average based on Service Company allocation factors. Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies.						

<b>II. Estimated Property Tax Rate for Service Company General Plant as of May 31, 2007</b>						
No.	(A) Account	(B) Account Description	(C) Tax Category	(D) Avg. Tax Rate	(E) Gross Plant	(F) Property Tax
7	389	Fee Land & Easements	Real	1.49%	\$ 556,979	\$ 8,294
8	390	Structures, Improvements	Real	1.49%	\$ 21,328,601	\$ 317,594
9	390.3	Struct Imprv, Leasehold Imp	Real	1.49%	\$ 6,938,688	\$ 103,321
10	391.1	Office Furn., Mech. Equip.	Personal		\$ 31,040,407	\$ -
11	391.2	Data Processing Equipment	Personal		\$ 117,351,991	\$ -
12	392	Transportation Equipment	Personal		\$ 11,855	\$ -
13	393	Stores Equipment	Personal		\$ 16,787	\$ -
14	394	Tools, Shop, Garage Equip.	Personal		\$ 11,282	\$ -
15	395	Laboratory Equipment	Personal		\$ 127,988	\$ -
16	396	Power Operated Equipment	Personal		\$ 160,209	\$ -
17	397	Communication Equipment	Personal		\$ 56,845,501	\$ -
18	398	Misc. Equipment	Personal		\$ 465,158	\$ -
19	399.1	ARC General Plant	Personal		\$ 40,721	\$ -
20	<b>TOTAL - GENERAL PLANT</b>				<b>\$ 234,896,167</b>	<b>\$ 429,208</b>
21	<b>TOTAL - INTANGIBLE PLANT</b>				<b>\$ 79,567,511</b>	<b>\$ -</b>
22	<b>TOTAL - GENERAL &amp; INTANGIBLE PLANT</b>				<b>\$ 314,463,678</b>	<b>\$ 429,208</b>
23	<b>Average Effective Real Property Tax Rate</b>					<b>0.14%</b>

**NOTES**

- (C) Source: Case No. 07-551-EL-AIR, Schedule C3.10. Classification of General Plant account as Real or Personal Property
- (D) Average property tax rate across CEI, OE, and TE. See Section I above.  
Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax.
- (E) Service Company General plant as of May 31, 2007.
- (F) Calculation: Column D x Column E

The Cleveland Electric Illuminating Company: 16-1819-EL-RDR  
 Ohio Edison Company: 16-1820-EL-RDR  
 The Toledo Edison Company: 16-1821-EL-RDR

**Property Tax Rate for Service Company Plant (Actual)**

<b>III. Average Real Property Tax Rates on Actual General Plant as of November 30, 2016 *</b>						
No.	(A) Category	(B) CEI	(C) OE	(D) TE	(E) Average **	(F) Source / Calculation
24	Allocation Factors	14.21%	17.22%	7.58%	39.01%	"Service Company Allocations to the Ohio Operating Companies (Actual)" workpaper
25	Weighted Allocation Factors	36.43%	44.14%	19.43%	100.00%	Weighted Line 24
<u>Real Property Tax</u>						
26	Average Rate	1.69%	1.01%	1.53%	1.36%	Schedule C3.10a2 (Actual)
* Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax. Accordingly, for purposes of determining the average Property Tax rate applicable to Service Company plant, only Real Property Tax is considered.						
** Weighted average based on Service Company allocation factors. Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies.						

<b>IV. Estimated Property Tax Rate for Service Company Actual General Plant as of November 30, 2016</b>						
No.	(A) Account	(B) Account Description	(C) Tax Category	(D) Avg. Tax Rate	(E) Gross Plant	(F) Property Tax
27	389	Fee Land & Easements	Real	1.36%	\$ 230,947	\$ 3,139
28	390	Structures, Improvements	Real	1.36%	\$ 44,949,595	\$ 610,883
29	390.3	Struct Imprv, Leasehold Imp	Real	1.36%	\$ 14,497,810	\$ 197,031
30	391.1	Office Furn., Mech. Equip.	Personal		\$ 16,794,159	\$ -
31	391.2	Data Processing Equipment	Personal		\$ 142,880,279	\$ -
32	392	Transportation Equipment	Personal		\$ 443,733	\$ -
33	393	Stores Equipment	Personal		\$ 16,715	\$ -
34	394	Tools, Shop, Garage Equip.	Personal		\$ 199,565	\$ -
35	395	Laboratory Equipment	Personal		\$ 108,485	\$ -
36	396	Power Operated Equipment	Personal		\$ 424,994	\$ -
37	397	Communication Equipment	Personal		\$ 108,845,513	\$ -
38	398	Misc. Equipment	Personal		\$ 3,214,566	\$ -
39	399.1	ARC General Plant	Personal		\$ 40,721	\$ -
40	<b>TOTAL - GENERAL PLANT</b>				<b>\$ 332,647,085</b>	<b>\$ 811,053</b>
41	<b>TOTAL - INTANGIBLE PLANT</b>				<b>\$ 326,822,629</b>	<b>\$ -</b>
42	<b>TOTAL - GENERAL &amp; INTANGIBLE PLANT</b>				<b>\$ 659,469,714</b>	<b>\$ 811,053</b>
43	<b>Average Effective Real Property Tax Rate</b>					<b>0.12%</b>

**NOTES**

- (C) Source: Schedule C3.10 (Actual). Classification of General Plant account as Real or Personal Property
- (D) Weighted average property tax rate across CEI, OE, and TE. See Section III above.  
Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax.
- (E) Service Company General gross plant balances as of 11/30/2016 adjusted to incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR audit reports.
- (F) Calculation: Column D x Column E

<b>Incremental Depreciation and Property Tax Associated with Service Company Plant (Actual)</b>							
<b>Case No. 07-551-EL-AIR vs. Actual 11/30/2016 Balances</b>							
<b>I. Allocated Service Company Plant and Related Expenses as of November 30, 2016</b>							
Line	Category	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
1	Allocation Factor		14.21%	17.22%	7.58%	39.01%	Case No. 07-551-EL-AIR
	<u>Total Plant</u>						
2	Gross Plant	\$ 659,469,714	\$ 93,710,646	\$ 113,560,685	\$ 49,987,804	\$ 257,259,136	"Depreciation Rate for Service Company Plant (Actual)" workpaper, Line 63 x Line 1
3	Accum. Reserve	\$ (318,961,991)	\$ (45,324,499)	\$ (54,925,255)	\$ (24,177,319)	\$ (124,427,073)	"Depreciation Rate for Service Company Plant (Actual)" workpaper, Line 63 x Line 1
4	Net Plant	<u>\$ 340,507,723</u>	<u>\$ 48,386,147</u>	<u>\$ 58,635,430</u>	<u>\$ 25,810,485</u>	<u>\$ 132,832,063</u>	Line 2 + Line 3
5	Depreciation *	9.81%	\$ 9,188,628	\$ 11,134,987	\$ 4,901,464	\$ 25,225,078	Average Rate x Line 2
6	Property Tax *	0.12%	\$ 115,251	\$ 139,663	\$ 61,478	\$ 316,392	Average Rate x Line 2
7	Total Expenses		<u>\$ 9,303,878</u>	<u>\$ 11,274,650</u>	<u>\$ 4,962,941</u>	<u>\$ 25,541,470</u>	
* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant, as of 11/30/2016. See line 63 of the "Depreciation Rate for Service Company Plant (Actual)" workpaper and line 43 of the "Property Tax Rate for Service Company Plant (Actual)" workpaper for more details.							
<b>II. Allocated Service Company Plant and Related Expenses as of May 31, 2007</b>							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
8	Allocation Factor		14.21%	17.22%	7.58%	39.01%	Case No. 07-551-EL-AIR
	<u>Total Plant</u>						
9	Gross Plant	\$ 314,463,678	\$ 44,685,289	\$ 54,150,645	\$ 23,836,347	\$ 122,672,281	"Depreciation Rate for Service Company Plant (Actual)" workpaper, Line 27 x Line 8
10	Accum. Reserve	\$ (141,912,431)	\$ (20,165,756)	\$ (24,437,321)	\$ (10,756,962)	\$ (55,360,039)	"Depreciation Rate for Service Company Plant (Actual)" workpaper, Line 27 x Line 8
11	Net Plant	<u>\$ 172,551,247</u>	<u>\$ 24,519,532</u>	<u>\$ 29,713,325</u>	<u>\$ 13,079,385</u>	<u>\$ 67,312,242</u>	Line 9 + Line 10
12	Depreciation *	10.68%	\$ 4,772,824	\$ 5,783,816	\$ 2,545,954	\$ 13,102,594	Average Rate x Line 9
13	Property Tax *	0.14%	\$ 60,990	\$ 73,910	\$ 32,534	\$ 167,434	Average Rate x Line 9
14	Total Expenses		<u>\$ 4,833,814</u>	<u>\$ 5,857,726</u>	<u>\$ 2,578,488</u>	<u>\$ 13,270,028</u>	Line 12 + Line 13
* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant as of 5/31/07. See line 27 of the "Depreciation Rate for Service Company Plant (Actual)" workpaper and line 23 of the "Property Tax Rate for Service Company Plant (Actual)" workpaper for more details.							
<b>III. Incremental Expenses Associated with Allocated Service Company Plant *</b>							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
15	Depreciation	-0.88%	\$ 4,415,804	\$ 5,351,171	\$ 2,355,510	\$ 12,122,485	Line 5 - Line 12
16	Property Tax	-0.01%	\$ 54,260	\$ 65,754	\$ 28,944	\$ 148,958	Line 6 - Line 13
17	Total Expenses		<u>\$ 4,470,064</u>	<u>\$ 5,416,925</u>	<u>\$ 2,384,454</u>	<u>\$ 12,271,442</u>	Line 15 + Line 16
* In Case No. 07-551-EL-AIR, test year operating expenses included allocated depreciation and property tax associated with Service Company plant. This section calculates the difference between the estimated level of these expenses included in base rates and the estimated expenses incurred based on actual Service Company plant balances as of November 30, 2016. The incremental expenses calculated on Line 17 above are added to the Rider DCR revenue requirements.							

**Intangible Depreciation Expense Calculation**  
**Actual 11/30/2016 Balances**

**NOTE**

The software accounts are amortized over a 7 year period (leading to an accrual rate of 14.29%), and many of these accounts have already been fully amortized. Therefore, applying the 14.29% accrual rate to the Gross Plant (the methodology employed for all other accounts) overstates the "depreciation expense" associated with intangible plant. This worksheet looks at each sub account within intangible plant and calculates the expense by applying the 14.29% to only those software related sub-accounts that are not fully amortized yet. All other accounts are calculated by applying the approved accrual rate to the Gross Plant balances.

Company (A)	Utility Account (B)	Function (C)	Gross Plant Nov-16 (D)	Reserve Nov-16 (E)	Net Plant Nov-16 (F)	Accrual Rates (G)	Depreciation Exp (H)
CECO	The Illuminating Co.	CECO 101/6-303 2002 Software	\$ 2,966,784	\$ 2,966,784	\$ -	14.29%	\$ -
CECO	The Illuminating Co.	CECO 101/6-303 2003 Software	\$ 1,307,067	\$ 1,307,067	\$ -	14.29%	\$ -
CECO	The Illuminating Co.	CECO 101/6-303 2004 Software	\$ 3,596,344	\$ 3,596,344	\$ -	14.29%	\$ -
CECO	The Illuminating Co.	CECO 101/6-303 2005 Software	\$ 1,222,419	\$ 1,221,140	\$ 1,279	14.29%	\$ 1,279
CECO	The Illuminating Co.	CECO 101/6-303 2006 Software	\$ 1,811,335	\$ 1,810,056	\$ 1,279	14.29%	\$ 1,279
CECO	The Illuminating Co.	CECO 101/6-303 2007 Software	\$ 5,875,570	\$ 5,873,013	\$ 2,557	14.29%	\$ 2,557
CECO	The Illuminating Co.	CECO 101/6-303 2008 Software	\$ 1,070,599	\$ 1,069,320	\$ 1,279	14.29%	\$ 1,279
CECO	The Illuminating Co.	CECO 101/6-303 2009 Software	\$ 3,244,607	\$ 3,243,329	\$ 1,279	14.29%	\$ 1,279
CECO	The Illuminating Co.	CECO 101/6-303 2010 Software	\$ 2,807,821	\$ 2,576,522	\$ 231,299	14.29%	\$ 231,299
CECO	The Illuminating Co.	CECO 101/6-303 2011 Software	\$ 5,818,089	\$ 4,507,423	\$ 1,310,666	14.29%	\$ 831,405
CECO	The Illuminating Co.	CECO 101/6-303 2012 Software	\$ 765,234	\$ 422,150	\$ 343,084	14.29%	\$ 109,352
CECO	The Illuminating Co.	CECO 101/6-303 2013 Software	\$ 2,217,818	\$ 1,083,436	\$ 1,134,381	14.29%	\$ 316,926
CECO	The Illuminating Co.	CECO 101/6-303 2014 Software	\$ 3,404,898	\$ 873,777	\$ 2,531,121	14.29%	\$ 486,560
CECO	The Illuminating Co.	CECO 101/6-303 2015 Software	\$ 1,607,429	\$ 228,696	\$ 1,378,733	14.29%	\$ 229,702
CECO	The Illuminating Co.	CECO 101/6-303 2016 Software	\$ 1,344,984	\$ 65,410	\$ 1,279,574	14.29%	\$ 192,198
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Distribution	\$ 2,001,124	\$ 2,001,124	\$ -	3.18%	\$ -
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Transmission	\$ 1,176,339	\$ 1,093,244	\$ 83,095	2.15%	\$ 25,291
CECO	The Illuminating Co.	CECO 101/6-303 Software	\$ 1,397,093	\$ 971,878	\$ 425,215	14.29%	\$ 199,645
CECO	The Illuminating Co.	CECO 101/6-303 Software Evolution	\$ 12,454,403	\$ 12,454,403	\$ -	14.29%	\$ -
<b>Total</b>			<b>\$ 56,089,957</b>	<b>\$ 47,365,117</b>	<b>\$ 8,724,840</b>		<b>\$ 2,630,049</b>
OECO	Ohio Edison Co.	OECO 101/6-301 Organization	\$ 89,746	\$ 40,523	\$ 49,224	0.00%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2002 Software	\$ 3,690,067	\$ 3,690,067	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2003 Software	\$ 17,568,726	\$ 17,568,726	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2004 Software	\$ 4,524,343	\$ 4,524,343	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2005 Software	\$ 1,469,370	\$ 1,469,370	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2006 Software	\$ 2,754,124	\$ 2,754,124	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2007 Software	\$ 7,208,211	\$ 7,208,211	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2008 Software	\$ 1,343,335	\$ 1,343,335	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2009 Software	\$ 4,181,304	\$ 4,181,304	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2010 Software	\$ 3,293,501	\$ 3,049,769	\$ 243,732	14.29%	\$ 243,732
OECO	Ohio Edison Co.	OECO 101/6-303 2011 Software	\$ 8,201,370	\$ 6,243,874	\$ 1,957,496	14.29%	\$ 1,171,976
OECO	Ohio Edison Co.	OECO 101/6-303 2012 Software	\$ 963,533	\$ 595,040	\$ 368,493	14.29%	\$ 137,689
OECO	Ohio Edison Co.	OECO 101/6-303 2013 Software	\$ 5,934,618	\$ 2,434,423	\$ 3,500,195	14.29%	\$ 848,057
OECO	Ohio Edison Co.	OECO 101/6-303 2014 Software	\$ 5,606,085	\$ 1,528,400	\$ 4,077,685	14.29%	\$ 801,110
OECO	Ohio Edison Co.	OECO 101/6-303 2015 Software	\$ 4,937,305	\$ 354,495	\$ 4,582,810	14.29%	\$ 705,541
OECO	Ohio Edison Co.	OECO 101/6-303 2016 Software	\$ 2,467,789	\$ 1	\$ 2,467,788	14.29%	\$ 352,647
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Dist Land	\$ 37,082	\$ -	\$ 37,082	2.89%	\$ 1,072
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Distribution	\$ 1,556,361	\$ 1,556,361	\$ -	2.89%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 G/P Land	\$ 7,778	\$ -	\$ 7,778	3.87%	\$ 301
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 General Plant	\$ 191,313	\$ 184,026	\$ 7,287	3.87%	\$ 7,287
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Transm Land	\$ 1,326,229	\$ -	\$ 1,326,229	2.33%	\$ 30,901
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Transmission	\$ 697,049	\$ 697,049	\$ -	2.33%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 Software	\$ 3,085,581	\$ 1,577,178	\$ 1,508,403	14.29%	\$ 440,930
<b>Total</b>			<b>\$ 81,134,821</b>	<b>\$ 61,000,618</b>	<b>\$ 20,134,203</b>		<b>\$ 4,741,242</b>
TECO	Toledo Edison Co.	TECO 101/6-303 2002 Software	\$ 1,708,412	\$ 1,708,412	\$ -	14.29%	\$ -
TECO	Toledo Edison Co.	TECO 101/6-303 2003 Software	\$ 7,478,386	\$ 7,478,386	\$ -	14.29%	\$ -
TECO	Toledo Edison Co.	TECO 101/6-303 2004 Software	\$ 862,457	\$ 862,457	\$ -	14.29%	\$ -
TECO	Toledo Edison Co.	TECO 101/6-303 2005 Software	\$ 699,602	\$ 699,602	\$ -	14.29%	\$ -
TECO	Toledo Edison Co.	TECO 101/6-303 2006 Software	\$ 834,734	\$ 834,734	\$ 0	14.29%	\$ 0
TECO	Toledo Edison Co.	TECO 101/6-303 2007 Software	\$ 3,182,793	\$ 3,182,792	\$ 1	14.29%	\$ 1
TECO	Toledo Edison Co.	TECO 101/6-303 2008 Software	\$ 578,276	\$ 578,276	\$ 1	14.29%	\$ 1
TECO	Toledo Edison Co.	TECO 101/6-303 2009 Software	\$ 1,878,497	\$ 1,878,497	\$ 1	14.29%	\$ 1
TECO	Toledo Edison Co.	TECO 101/6-303 2010 Software	\$ 1,456,652	\$ 1,343,160	\$ 113,493	14.29%	\$ 113,493
TECO	Toledo Edison Co.	TECO 101/6-303 2011 Software	\$ 2,259,889	\$ 1,749,766	\$ 510,123	14.29%	\$ 322,938
TECO	Toledo Edison Co.	TECO 101/6-303 2012 Software	\$ 554,875	\$ 296,217	\$ 258,658	14.29%	\$ 79,292
TECO	Toledo Edison Co.	TECO 101/6-303 2013 Software	\$ 1,587,424	\$ 614,310	\$ 973,115	14.29%	\$ 226,843
TECO	Toledo Edison Co.	TECO 101/6-303 2014 Software	\$ 2,002,108	\$ 614,768	\$ 1,387,340	14.29%	\$ 286,101
TECO	Toledo Edison Co.	TECO 101/6-303 2015 Software	\$ 678,393	\$ 102,172	\$ 576,221	14.29%	\$ 96,942
TECO	Toledo Edison Co.	TECO 101/6-303 2016 Software	\$ 839,215	\$ 53,263	\$ 785,953	14.29%	\$ 119,924
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Distribution	\$ 240,093	\$ 240,093	\$ -	3.10%	\$ -
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Transmission	\$ 54,210	\$ 50,602	\$ 3,608	2.37%	\$ 1,285
TECO	Toledo Edison Co.	TECO 101/6-303 Software	\$ (175,850)	\$ 294,846	\$ (470,695)	14.29%	\$ -
<b>Total</b>			<b>\$ 26,720,166</b>	<b>\$ 22,582,350</b>	<b>\$ 4,137,816</b>		<b>\$ 1,246,820</b>

**NOTES**

- (D) - (F) Source: Actual 11/30/2016 balances, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports.
- (G) Source: Case No. 07-551-EL-AIR
- (H) Accrual rate only applies to the (non-land) gross plant of those accounts that are not fully amortized.

**Rider DCR  
 Estimated Distribution Rate Base Additions as of 2/28/2017  
 Revenue Requirement Calculation**

(\$ millions)

\* 5/31/2007 balances refer to the jurisdictional balances approved in Case 07-551-EL-AIR. Source: PUCO Staff workpapers supporting the PUCO Opinion & Order

	(A)	(B)	(C) = (B) - (A)	(D)
<b>Gross Plant</b>	<b>5/31/2007*</b>	<b>2/28/2017</b>	<b>Incremental</b>	<b>Source of Column (B)</b>
(1) CEI	1,927.1	2,980.8	1,053.7	Sch B2.1 (Estimate) Line 45
(2) OE	2,074.0	3,390.4	1,316.4	Sch B2.1 (Estimate) Line 47
(3) TE	771.5	1,172.3	400.8	Sch B2.1 (Estimate) Line 44
(4) <b>Total</b>	<b>4,772.5</b>	<b>7,543.5</b>	<b>2,770.9</b>	<b>Sum: [ (1) through (3) ]</b>

<b>Accumulated Reserve</b>				
(5) CEI	(773.0)	(1,288.9)	(515.9)	-Sch B3 (Estimate) Line 46
(6) OE	(803.0)	(1,330.3)	(527.2)	-Sch B3 (Estimate) Line 48
(7) TE	(376.8)	(598.9)	(222.1)	-Sch B3 (Estimate) Line 45
(8) <b>Total</b>	<b>(1,952.8)</b>	<b>(3,218.1)</b>	<b>(1,265.3)</b>	<b>Sum: [ (5) through (7) ]</b>

<b>Net Plant In Service</b>				
(9) CEI	1,154.0	1,691.8	537.8	(1) + (5)
(10) OE	1,271.0	2,060.1	789.1	(2) + (6)
(11) TE	394.7	573.4	178.7	(3) + (7)
(12) <b>Total</b>	<b>2,819.7</b>	<b>4,325.4</b>	<b>1,505.7</b>	<b>Sum: [ (9) through (11) ]</b>

<b>ADIT</b>				
(13) CEI	(246.4)	(467.5)	(221.1)	- ADIT Balances (Estimate) Line 3
(14) OE	(197.1)	(584.5)	(387.4)	- ADIT Balances (Estimate) Line 3
(15) TE	(10.3)	(149.1)	(138.8)	- ADIT Balances (Estimate) Line 3
(16) <b>Total</b>	<b>(453.8)</b>	<b>(1,201.1)</b>	<b>(747.3)</b>	<b>Sum: [ (13) through (15) ]</b>

<b>Rate Base</b>				
(17) CEI	907.7	1,224.3	316.7	(9) + (13)
(18) OE	1,073.9	1,475.6	401.7	(10) + (14)
(19) TE	384.4	424.3	39.9	(11) + (15)
(20) <b>Total</b>	<b>2,366.0</b>	<b>3,124.3</b>	<b>758.3</b>	<b>Sum: [ (17) through (19) ]</b>

<b>Depreciation Exp</b>				
(21) CEI	60.0	96.7	36.7	Sch B-3.2 (Estimate) Line 46
(22) OE	62.0	102.5	40.5	Sch B-3.2 (Estimate) Line 48
(23) TE	24.5	38.8	14.3	Sch B-3.2 (Estimate) Line 45
(24) <b>Total</b>	<b>146.5</b>	<b>238.0</b>	<b>91.5</b>	<b>Sum: [ (21) through (23) ]</b>

<b>Property Tax Exp</b>				
(25) CEI	65.0	103.8	38.8	Sch C-3.10a (Estimate) Line 4
(26) OE	57.4	89.9	32.6	Sch C-3.10a (Estimate) Line 4
(27) TE	20.1	30.4	10.3	Sch C-3.10a (Estimate) Line 4
(28) <b>Total</b>	<b>142.4</b>	<b>224.1</b>	<b>81.7</b>	<b>Sum: [ (25) through (27) ]</b>

	Rate Base	Return 8.48%	Deprec	Prop Tax	Rev. Req.
(29) CEI	316.7	26.9	36.7	38.8	<b>102.3</b>
(30) OE	401.7	34.1	40.5	32.6	<b>107.2</b>
(31) TE	39.9	3.4	14.3	10.3	<b>28.0</b>
(32) <b>Total</b>	<b>758.3</b>	<b>64.3</b>	<b>91.5</b>	<b>81.7</b>	<b>237.5</b>

<b>Capital Structure &amp; Returns</b>			
	% mix	rate	wtd rate
(33) Debt	51%	6.54%	3.3%
(34) Equity	49%	10.50%	5.1%
(35) <b>Total</b>			<b>8.48%</b>

	(a)	(b)	(c)	(d)	(e)	(f)
<b>Revenue Requirement with Tax</b>	<b>Equity Return</b>	<b>Tax Rate</b>	<b>Income Tax</b>	<b>CAT 0.26%</b>	<b>Taxes</b>	<b>Rev. Req. + Tax</b>
(36) CEI	16.3	36.07%	9.2	0.3	9.5	111.8
(37) OE	20.7	35.85%	11.5	0.3	11.9	119.0
(38) TE	2.1	36.07%	1.2	0.1	1.2	29.2
(39) <b>Total</b>	<b>39.0</b>		<b>21.9</b>	<b>0.7</b>	<b>22.6</b>	<b>260.1</b>

(a) = Weighted Cost of Equity x Rate Base  
 (b) = Current composite income tax rates

(c) = (a) x (1 / (1-(b)) - 1)  
 (d) = (Rev. Req. + (c)) x (1/(1-.26%) - 1)

(e) = (c) + (d)  
 (f) = (e) + Rev. Req. from Lines 29-31

Ohio Edison Company: 16-1820-EL-RDR  
2/28/2017 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Estimate)

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NOTE: Column A contains estimated plant in service balances as of 2/28/2017 from the forecast as of December 2016, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports, and to remove the cumulative pre-2007 impact of a change in pension accounting. Column B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Estimated 2/28/2017 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>TRANSMISSION PLANT</u>							
1	350	Land & Land Rights	\$ 95,341,768	100%	\$ 95,341,768	\$ (86,973,963)	\$ 8,367,805
2	352	Structures & Improvements	\$ 11,951,054	100%	\$ 11,951,054		\$ 11,951,054
3	353	Station Equipment	\$ 110,476,261	100%	\$ 110,476,261		\$ 110,476,261
4	354	Towers & Fixtures	\$ 276,919	100%	\$ 276,919		\$ 276,919
5	355	Poles & Fixtures	\$ 26,955,478	100%	\$ 26,955,478		\$ 26,955,478
6	356	Overhead Conductors & Devices	\$ 37,802,649	100%	\$ 37,802,649		\$ 37,802,649
7	357	Underground Conduit	\$ 1,540,142	100%	\$ 1,540,142		\$ 1,540,142
8	358	Underground Conductors & Devices	\$ 16,496,587	100%	\$ 16,496,587		\$ 16,496,587
9	359	Roads & Trails	\$ 34,404	100%	\$ 34,404		\$ 34,404
10		Total Transmission Plant	\$ 300,875,261	100%	\$ 300,875,261	\$ (86,973,963)	\$ 213,901,298

Ohio Edison Company: 16-1820-EL-RDR  
2/28/2017 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Estimate)

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NOTE: Column A contains estimated plant in service balances as of 2/28/2017 from the forecast as of December 2016, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports, and to remove the cumulative pre-2007 impact of a change in pension accounting. Column B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Estimated 2/28/2017 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>DISTRIBUTION PLANT</u>							
11	360	Land & Land Rights	\$ 12,719,489	100%	\$ 12,719,489		\$ 12,719,489
12	361	Structures & Improvements	\$ 16,086,582	100%	\$ 16,086,582		\$ 16,086,582
13	362	Station Equipment	\$ 270,515,466	100%	\$ 270,515,466		\$ 270,515,466
14	364	Poles, Towers & Fixtures	\$ 498,079,887	100%	\$ 498,079,887		\$ 498,079,887
15	365	Overhead Conductors & Devices	\$ 733,006,386	100%	\$ 733,006,386		\$ 733,006,386
16	366	Underground Conduit	\$ 66,896,471	100%	\$ 66,896,471		\$ 66,896,471
17	367	Underground Conductors & Devices	\$ 317,475,690	100%	\$ 317,475,690		\$ 317,475,690
18	368	Line Transformers	\$ 492,869,830	100%	\$ 492,869,830		\$ 492,869,830
19	369	Services	\$ 132,261,397	100%	\$ 132,261,397		\$ 132,261,397
20	370	Meters	\$ 154,095,700	100%	\$ 154,095,700		\$ 154,095,700
21	371	Installation on Customer Premises	\$ 24,558,470	100%	\$ 24,558,470		\$ 24,558,470
22	373	Street Lighting & Signal Systems	\$ 74,754,266	100%	\$ 74,754,266		\$ 74,754,266
23	374	Asset Retirement Costs for Distribution Plant	\$ 22,272	100%	\$ 22,272		\$ 22,272
24		Total Distribution Plant	\$ 2,793,341,908	100%	\$ 2,793,341,908	\$ -	\$ 2,793,341,908

Ohio Edison Company: 16-1820-EL-RDR  
2/28/2017 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Estimate)

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NOTE: Column A contains estimated plant in service balances as of 2/28/2017 from the forecast as of December 2016, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports, and to remove the cumulative pre-2007 impact of a change in pension accounting. Column B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Estimated 2/28/2017 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>GENERAL PLANT</u>							
25	389	Land & Land Rights	\$ 3,257,286	100%	\$ 3,257,286		\$ 3,257,286
26	390	Structures & Improvements	\$ 100,994,965	100%	\$ 100,994,965		\$ 100,994,965
27	390.3	Leasehold Improvements	\$ 108,959	100%	\$ 108,959		\$ 108,959
28	391.1	Office Furniture & Equipment	\$ 6,653,672	100%	\$ 6,653,672		\$ 6,653,672
29	391.2	Data Processing Equipment	\$ 9,191,867	100%	\$ 9,191,867		\$ 9,191,867
30	392	Transportation Equipment	\$ 2,238,571	100%	\$ 2,238,571		\$ 2,238,571
31	393	Stores Equipment	\$ 1,265,913	100%	\$ 1,265,913		\$ 1,265,913
32	394	Tools, Shop & Garage Equipment	\$ 16,064,268	100%	\$ 16,064,268		\$ 16,064,268
33	395	Laboratory Equipment	\$ 5,373,033	100%	\$ 5,373,033		\$ 5,373,033
34	396	Power Operated Equipment	\$ 3,952,498	100%	\$ 3,952,498		\$ 3,952,498
35	397	Communication Equipment	\$ 32,729,899	100%	\$ 32,729,899		\$ 32,729,899
36	398	Miscellaneous Equipment	\$ 413,561	100%	\$ 413,561		\$ 413,561
37	399.1	Asset Retirement Costs for General Plant	\$ 303,410	100%	\$ 303,410		\$ 303,410
38		Total General Plant	\$ 182,547,902	100%	\$ 182,547,902	\$0	\$ 182,547,902



Ohio Edison Company: 16-1820-EL-RDR  
2/28/2017 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Estimate)

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NOTE: Column A contains estimated plant in service balances as of 2/28/2017 from the forecast as of December 2016, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports, and to remove the cumulative pre-2007 impact of a change in pension accounting. Column B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Estimated 2/28/2017 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>OTHER PLANT</u>							
39	301	Organization		100%	\$ -		\$ -
40	303	Intangible Software	\$ 77,197,367	100%	\$ 77,197,367		\$ 77,197,367
41	303	Intangible FAS 109 Transmission	\$ 2,023,278	100%	\$ 2,023,278		\$ 2,023,278
42	303	Intangible FAS 109 Distribution	\$ 1,593,443	100%	\$ 1,593,443		\$ 1,593,443
43	303	Intangible FAS 109 General	\$ 199,091	100%	\$ 199,091		\$ 199,091
44		Total Other Plant	<u>\$ 81,013,179</u>		<u>\$ 81,013,179</u>	<u>\$ -</u>	<u>\$ 81,013,179</u>
45		Company Total Plant	<u>\$ 3,357,778,249</u>	100%	<u>\$ 3,357,778,249</u>	<u>\$ (86,973,963)</u>	<u>\$ 3,270,804,286</u>
46		Service Company Plant Allocated*					\$ 119,586,672
47		Grand Total Plant (45 + 46)					<u><u>\$ 3,390,390,958</u></u>

\* Source: Line 2 of the "Service Company Allocations to the Ohio Operating Companies (Estimate)" workpaper.

Ohio Edison Company: 16-1820-EL-RDR  
2/28/2017 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Estimate)  
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NOTE: Column B contains estimated reserve for accumulated depreciation balances as of 2/28/2017 from the forecast as of December 2016, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports, and to remove the cumulative pre-2007 impact of a change in pension accounting. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Estimated 2/28/2017 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company Sch B2.1 (Estimate) Column E (A)	Reserve Balances				
				Total Company (B)	Allocation % (C)	Allocated Total (D) = (B) * (C)	Adjustments (E)	Adjusted Jurisdiction (F) = (D) + (E)
<u>TRANSMISSION PLANT</u>								
1	350	Land & Land Rights	\$ 8,367,805	\$ 12,283	100%	\$ 12,283		\$ 12,283
2	352	Structures & Improvements	\$ 11,951,054	\$ 8,145,028	100%	\$ 8,145,028		\$ 8,145,028
3	353	Station Equipment	\$ 110,476,261	\$ 59,026,971	100%	\$ 59,026,971		\$ 59,026,971
4	354	Towers & Fixtures	\$ 276,919	\$ 302,866	100%	\$ 302,866		\$ 302,866
5	355	Poles & Fixtures	\$ 26,955,478	\$ 22,786,877	100%	\$ 22,786,877		\$ 22,786,877
6	356	Overhead Conductors & Devices	\$ 37,802,649	\$ 20,701,139	100%	\$ 20,701,139		\$ 20,701,139
7	357	Underground Conduit	\$ 1,540,142	\$ 925,882	100%	\$ 925,882		\$ 925,882
8	358	Underground Conductors & Devices	\$ 16,496,587	\$ 5,389,487	100%	\$ 5,389,487		\$ 5,389,487
9	359	Roads & Trails	\$ 34,404	\$ 704	100%	\$ 704		\$ 704
10		Total Transmission Plant	\$ 213,901,298	\$ 117,291,236	100%	\$ 117,291,236	\$ -	\$ 117,291,236

Ohio Edison Company: 16-1820-EL-RDR  
2/28/2017 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Estimate)  
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NOTE: Column B contains estimated reserve for accumulated depreciation balances as of 2/28/2017 from the forecast as of December 2016, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports, and to remove the cumulative pre-2007 impact of a change in pension accounting. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Estimated 2/28/2017 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company Plant Investment Sch B2.1 (Estimate) Column E (A)	Reserve Balances				
				Total Company (B)	Allocation % (C)	Allocated Total (D) = (B) * (C)	Adjustments (E)	Adjusted Jurisdiction (F) = (D) + (E)
<u>DISTRIBUTION PLANT</u>								
11	360	Land & Land Rights	\$ 12,719,489	\$ (5,003)	100%	\$ (5,003)		\$ (5,003)
12	361	Structures & Improvements	\$ 16,086,582	\$ 5,881,924	100%	\$ 5,881,924		\$ 5,881,924
13	362	Station Equipment	\$ 270,515,466	\$ 103,596,470	100%	\$ 103,596,470		\$ 103,596,470
14	364	Poles, Towers & Fixtures	\$ 230,300,684	\$ 238,327,925	100%	\$ 238,327,925		\$ 238,327,925
15	365	Overhead Conductors & Devices	\$ 174,905,161	\$ 183,447,677	100%	\$ 183,447,677		\$ 183,447,677
16	366	Underground Conduit	\$ 66,896,471	\$ 25,449,377	100%	\$ 25,449,377		\$ 25,449,377
17	367	Underground Conductors & Devices	\$ 317,475,690	\$ 78,989,424	100%	\$ 78,989,424		\$ 78,989,424
18	368	Line Transformers	\$ 492,869,830	\$ 219,483,904	100%	\$ 219,483,904		\$ 219,483,904
19	369	Services	\$ 132,261,397	\$ 86,363,768	100%	\$ 86,363,768		\$ 86,363,768
20	370	Meters	\$ 154,095,700	\$ 37,911,042	100%	\$ 37,911,042		\$ 37,911,042
21	371	Installation on Customer Premises	\$ 24,558,470	\$ 15,045,962	100%	\$ 15,045,962		\$ 15,045,962
22	373	Street Lighting & Signal Systems	\$ 74,754,266	\$ 36,855,631	100%	\$ 36,855,631		\$ 36,855,631
23	374	Asset Retirement Costs for Distribution Plant	\$ 22,272	\$ 13,917	100%	\$ 13,917		\$ 13,917
24		Total Distribution Plant	\$ 1,967,461,480	\$ 1,031,362,017	100%	\$ 1,031,362,017	\$ -	\$ 1,031,362,017

Ohio Edison Company: 16-1820-EL-RDR  
2/28/2017 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Estimate)  
Page 3 of 4

NOTE: Column B contains estimated reserve for accumulated depreciation balances as of 2/28/2017 from the forecast as of December 2016, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports, and to remove the cumulative pre-2007 impact of a change in pension accounting. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Estimated 2/28/2017 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company		Reserve Balances			
			Sch B2.1 (Estimate) Column E (A)	Plant Investment (B)	Total Company (B)	Allocation % (C)	Allocated Total (D) = (B) * (C)	Adjustments (E)
<u>GENERAL PLANT</u>								
25	389	Land & Land Rights	\$ 3,257,286	\$ (74,752)	\$ (74,752)	100%	\$ (74,752)	\$ (74,752)
26	390	Structures & Improvements	\$ 100,994,965	\$ 38,919,818	\$ 38,919,818	100%	\$ 38,919,818	\$ 38,919,818
27	390.3	Leasehold Improvements	\$ 108,959	\$ 108,959	\$ 108,959	100%	\$ 108,959	\$ 108,959
28	391.1	Office Furniture & Equipment	\$ 6,653,672	\$ 5,675,318	\$ 5,675,318	100%	\$ 5,675,318	\$ 5,675,318
29	391.2	Data Processing Equipment	\$ 9,191,867	\$ 2,778,747	\$ 2,778,747	100%	\$ 2,778,747	\$ 2,778,747
30	392	Transportation Equipment	\$ 2,238,571	\$ 259,959	\$ 259,959	100%	\$ 259,959	\$ 259,959
31	393	Stores Equipment	\$ 1,265,913	\$ 804,115	\$ 804,115	100%	\$ 804,115	\$ 804,115
32	394	Tools, Shop & Garage Equipment	\$ 16,064,268	\$ 2,836,257	\$ 2,836,257	100%	\$ 2,836,257	\$ 2,836,257
33	395	Laboratory Equipment	\$ 5,373,033	\$ 2,896,979	\$ 2,896,979	100%	\$ 2,896,979	\$ 2,896,979
34	396	Power Operated Equipment	\$ 3,952,498	\$ 3,440,238	\$ 3,440,238	100%	\$ 3,440,238	\$ 3,440,238
35	397	Communication Equipment	\$ 32,729,899	\$ 18,258,041	\$ 18,258,041	100%	\$ 18,258,041	\$ 18,258,041
36	398	Miscellaneous Equipment	\$ 413,561	\$ 378,107	\$ 378,107	100%	\$ 378,107	\$ 378,107
37	399.1	Asset Retirement Costs for General Plant	\$ 303,410	\$ 193,675	\$ 193,675	100%	\$ 193,675	\$ 193,675
38		Total General Plant	\$ 182,547,902	\$ 76,475,461	\$ 76,475,461	100%	\$ 76,475,461	\$ -

Ohio Edison Company: 16-1820-EL-RDR  
2/28/2017 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Estimate)  
Page 4 of 4

NOTE: Column B contains estimated reserve for accumulated depreciation balances as of 2/28/2017 from the forecast as of December 2016, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR Audit Reports, and to remove the cumulative pre-2007 impact of a change in pension accounting. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the "Summary of Exclusions per Case No. 14-1297-EL-SSO: Estimated 2/28/2017 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company		Reserve Balances			
			Sch B2.1 (Estimate) Column E	Plant Investment Column E	Total Company (B)	Allocation % (C)	Allocated Total (D) = (B) * (C)	Adjustments (E)
<u>OTHER PLANT</u>								
39	301	Organization	\$ -	\$ -	\$ -	100%	\$ -	\$ -
40	303	Intangible Software	\$ 77,197,367	\$ 59,750,635	\$ 59,750,635	100%	\$ 59,750,635	\$ 59,750,635
41	303	Intangible FAS 109 Transmission	\$ 2,023,278	\$ 697,049	\$ 697,049	100%	\$ 697,049	\$ 697,049
42	303	Intangible FAS 109 Distribution	\$ 1,593,443	\$ 1,556,361	\$ 1,556,361	100%	\$ 1,556,361	\$ 1,556,361
43	303	Intangible FAS 109 General	\$ 199,091	\$ 185,356	\$ 185,356	100%	\$ 185,356	\$ 185,356
44		Total Other Plant	\$ 81,013,179	\$ 62,189,400	\$ 62,189,400		\$ -	\$ 62,189,400
45		Removal Work in Progress (RWIP)		\$ (14,771,945)	\$ (14,771,945)	100%	\$ (14,771,945)	\$ (14,771,945)
46		Company Total Plant (Reserve)	<u>\$ 2,444,923,859</u>	<u>\$ 1,272,546,169</u>	<u>\$ 1,272,546,169</u>	100%	<u>\$ -</u>	<u>\$ 1,272,546,169</u>
47		Service Company Reserve Allocated*						\$ 57,728,037
48		Grand Total Plant (Reserve) (46 + 47)						<u>\$ 1,330,274,206</u>

\* Source: Line 3 of the "Service Company Allocations to the Ohio Operating Companies (Estimate)" workpaper.

The Cleveland Electric Illuminating Company: 16-1819-EL-RDR  
 Ohio Edison Company: 16-1820-EL-RDR  
 The Toledo Edison Company: 16-1821-EL-RDR

FirstEnergy Companies  
 ADIT Balances (281 & 282 Property Accounts) - Estimate

	<u>CEI</u>		<u>OE</u>		<u>TE</u>		<u>SC</u>
(1) Ending Bal. 2/28/2017*	456,239,049		570,836,219		143,076,682		79,260,799
(2) Service Company Allocated ADIT**	\$ 11,262,960	\$	13,648,710	\$	6,007,969		
(3) Grand Total ADIT Balance***	<u>\$ 467,502,008</u>	<u>\$</u>	<u>584,484,928</u>	<u>\$</u>	<u>149,084,651</u>		

\*Source: Estimated 2/28/2017 ADIT balances from the forecast as of December 2016.

\*\* Line 4 of the "Service Company Allocations to the Ohio Operating Companies (Estimate)" workpaper.

\*\*\* Calculation : Line 1 + Line 2

Ohio Edison Company: 16-1820-EL-RDR  
Annual Depreciation Expense on Estimated Plant Balances as of February 28, 2017

Schedule B-3.2 (Estimate)  
Page 1 of 4

NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No. (A)	Account No. (B)	Account Title (C)	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (Estimate) (D)	Reserve Balance Sch. B-3 (Estimate) (E)		
<u>TRANSMISSION PLANT</u>						
1	350	Land & Land Rights	\$ 8,367,805	\$ 12,283	0.00%	\$ -
2	352	Structures & Improvements	\$ 11,951,054	\$ 8,145,028	2.06%	\$ 246,192
3	353	Station Equipment	\$ 110,476,261	\$ 59,026,971	2.20%	\$ 2,430,478
4	354	Towers & Fixtures	\$ 276,919	\$ 302,866	1.82%	\$ 5,040
5	355	Poles & Fixtures	\$ 26,955,478	\$ 22,786,877	2.98%	\$ 803,273
6	356	Overhead Conductors & Devices	\$ 37,802,649	\$ 20,701,139	2.55%	\$ 963,968
7	357	Underground Conduit	\$ 1,540,142	\$ 925,882	1.67%	\$ 25,720
8	358	Underground Conductors & Devices	\$ 16,496,587	\$ 5,389,487	2.00%	\$ 329,932
9	359	Roads & Trails	\$ 34,404	\$ 704	0.00%	\$ -
10		Total Transmission	\$ 213,901,298	\$ 117,291,236		\$ 4,804,603

Ohio Edison Company: 16-1820-EL-RDR  
Annual Depreciation Expense on Estimated Plant Balances as of February 28, 2017

Schedule B-3.2 (Estimate)  
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NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No. (A)	Account No. (B)	Account Title (C)	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (Estimate) (D)	Reserve Balance Sch. B-3 (Estimate) (E)		
<u>DISTRIBUTION PLANT</u>						
11	360	Land & Land Rights	\$ 12,719,489	\$ (5,003)	0.00%	\$ -
12	361	Structures & Improvements	\$ 16,086,582	\$ 5,881,924	2.45%	\$ 394,121
13	362	Station Equipment	\$ 270,515,466	\$ 103,596,470	2.55%	\$ 6,898,144
14	364	Poles, Towers & Fixtures	\$ 498,079,887	\$ 238,327,925	2.93%	\$ 14,593,741
15	365	Overhead Conductors & Devices	\$ 733,006,386	\$ 183,447,677	2.70%	\$ 19,791,172
16	366	Underground Conduit	\$ 66,896,471	\$ 25,449,377	1.50%	\$ 1,003,447
17	367	Underground Conductors & Devices	\$ 317,475,690	\$ 78,989,424	2.07%	\$ 6,571,747
18	368	Line Transformers	\$ 492,869,830	\$ 219,483,904	3.50%	\$ 17,250,444
19	369	Services	\$ 132,261,397	\$ 86,363,768	3.13%	\$ 4,139,782
20	370	Meters	\$ 154,095,700	\$ 37,911,042	3.24%	\$ 4,992,701
21	371	Installation on Customer Premises	\$ 24,558,470	\$ 15,045,962	4.44%	\$ 1,090,396
22	373	Street Lighting & Signal Systems	\$ 74,754,266	\$ 36,855,631	4.20%	\$ 3,139,679
23	374	Asset Retirement Costs for Distribution Plant	\$ 22,272	\$ 13,917	0.00%	\$ -
24		Total Distribution	\$ 2,793,341,908	\$ 1,031,362,017		\$ 79,865,374



Ohio Edison Company: 16-1820-EL-RDR  
Annual Depreciation Expense on Estimated Plant Balances as of February 28, 2017

Schedule B-3.2 (Estimate)  
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NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No. (A)	Account No. (B)	Account Title (C)	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (Estimate) (D)	Reserve Balance Sch. B-3 (Estimate) (E)		
<u>GENERAL PLANT</u>						
25	389	Land & Land Rights	\$ 3,257,286	\$ (74,752)	0.00%	\$ -
26	390	Structures & Improvements	\$ 100,994,965	\$ 38,919,818	2.50%	\$ 2,524,874
27	390.3	Leasehold Improvements	\$ 108,959	\$ 108,959	20.78%	\$ 22,642
28	391.1	Office Furniture & Equipment	\$ 6,653,672	\$ 5,675,318	3.80%	\$ 252,840
29	391.2	Data Processing Equipment	\$ 9,191,867	\$ 2,778,747	17.00%	\$ 1,562,617
30	392	Transportation Equipment	\$ 2,238,571	\$ 259,959	7.31%	\$ 163,640
31	393	Stores Equipment	\$ 1,265,913	\$ 804,115	2.56%	\$ 32,407
32	394	Tools, Shop & Garage Equipment	\$ 16,064,268	\$ 2,836,257	3.17%	\$ 509,237
33	395	Laboratory Equipment	\$ 5,373,033	\$ 2,896,979	3.80%	\$ 204,175
34	396	Power Operated Equipment	\$ 3,952,498	\$ 3,440,238	3.48%	\$ 137,547
35	397	Communication Equipment	\$ 32,729,899	\$ 18,258,041	5.00%	\$ 1,636,495
36	398	Miscellaneous Equipment	\$ 413,561	\$ 378,107	4.00%	\$ 16,542
37	399.1	Asset Retirement Costs for General Plant	\$ 303,410	\$ 193,675	0.00%	\$ -
38		Total General	\$ 182,547,902	\$ 76,475,461		\$ 7,063,016

Ohio Edison Company: 16-1820-EL-RDR  
Annual Depreciation Expense on Estimated Plant Balances as of February 28, 2017

Schedule B-3.2 (Estimate)  
Page 4 of 4

NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No. (A)	Account No. (B)	Account Title (C)	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (Estimate) (D)	Reserve Balance Sch. B-3 (Estimate) (E)		
<u>OTHER PLANT</u>						
39	301	Organization	\$ -	\$ -	0.00%	*
40	303	Intangible Software	\$ 77,197,367	\$ 59,750,635	14.29%	*
41	303	Intangible FAS 109 Transmission	\$ 2,023,278	\$ 697,049	2.33%	*
42	303	Intangible FAS 109 Distribution	\$ 1,593,443	\$ 1,556,361	2.89%	*
43	303	Intangible FAS 109 General	\$ 199,091	\$ 185,356	3.87%	*
44		Total Other	<u>\$ 81,013,179</u>	<u>\$ 62,189,400</u>		<u>\$ 4,630,898</u>
45		Removal Work in Progress (RWIP)		(14,771,945)		
46		Total Company Depreciation	<u>\$ 3,270,804,286</u>	<u>\$ 1,272,546,169</u>		<u>\$ 96,363,891</u>
47		Incremental Depreciation Associated with Allocated Service Company Plant **	\$ 119,586,672	\$ 57,728,037		\$ 6,147,161
48		GRAND TOTAL (46 + 47)	<u>\$ 3,390,390,958</u>	<u>\$ 1,330,274,206</u>		<u>\$ 102,511,052</u>

\* Please see the "Intangible Depreciation Expense Calculation: Estimated 2/28/2017 Balances" workpaper for more details behind the calculation of depreciation expense associated with Intangible Plant.

\*\* Source: Line 6 of the "Service Company Allocations to the Ohio Operating Companies (Estimate)" workpaper.

Ohio Edison Company: 16-1820-EL-RDR

Annual Property Tax Expense on Estimated Plant Balances as of February 28, 2017

Schedule C-3.10a (Estimate)

Page 1 of 1

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Line No.	Description	Jurisdictional Amount
1	Personal Property Taxes - See Schedule C-3.10a1 (Estimate)	\$ 88,326,662
2	Real Property Taxes - See Schedule C-3.10a2 (Estimate)	\$ 1,544,249
3	Incremental Property Tax Associated with Allocated Service Company Plant *	<u>\$ 74,211</u>
4	Total Property Taxes (1 + 2 + 3)	<u><u>\$ 89,945,122</u></u>

\* Source: Line 7 of the "Service Company Allocations to the Ohio Operating Companies (Estimate)" workpaper.

## Annual Personal Property Tax Expense on Estimated Plant Balances as of February 28, 2017

Schedule C-3.10a1 (Estimate)

Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Plant in Service (a)	\$ 213,901,298	\$ 2,793,341,908	\$ 182,547,902
2	Jurisdictional Real Property (b)	\$ 20,318,859	\$ 28,806,072	\$ 104,361,210
3	Jurisdictional Personal Property (1 - 2)	\$ 193,582,439	\$ 2,764,535,836	\$ 78,186,692
	<u>Exclusions and Exemptions</u>			
4	Capitalized Asset Retirement Costs (a)	\$ -	\$ 22,272	\$ 303,410
5	Exempt Facilities (c)	\$ 575,438	\$ 2,655,801	\$ -
6	Real Property Classified as Personal Property (c)	\$ -	\$ 179,795,456	\$ -
7	Licensed Motor Vehicles (c)	\$ -	\$ -	\$ 3,889,004
8	Capitalized Interest (f)	\$ 13,612,717	\$ 114,340,649.27	\$ -
9	Total Exclusions and Exemptions (4 thru 8)	\$ 14,188,155	\$ 296,814,179	\$ 4,192,414
10	Net Cost of Taxable Personal Property (3 - 9)	\$ 179,394,284	\$ 2,467,721,657	\$ 73,994,278
11	True Value Percentage (c)	<u>36.7014%</u>	<u>46.2442%</u>	<u>40.0657%</u>
12	True Value of Taxable Personal Property (10 x 11)	\$ 65,840,214	\$ 1,141,178,139	\$ 29,646,326
13	Assessment Percentage (d)	<u>85.00%</u>	<u>85.00%</u>	<u>24.00%</u>
14	Assessment Value (12 x 13)	\$ 55,964,182	\$ 970,001,418	\$ 7,115,118
15	Personal Property Tax Rate (e)	<u>8.4914150%</u>	<u>8.4914150%</u>	<u>8.4914150%</u>
16	Personal Property Tax (14 x 15)	\$ 4,752,151	\$ 82,366,846	\$ 604,174
17	State Mandated Software Adjustment (c)	\$ -	\$ -	\$ 603,491
18	Total Personal Property Tax (16 + 17)			<u>\$ 88,326,662</u>

(a) Schedule B-2.1 (Estimate)

(b) Schedule B-2.1 (Estimate), Accounts 350, 352, 360, 361, 389, 390 and 390.3

(c) Source: OE's most recent Ohio Annual Property Tax Return Filing

(d) Statutory Assessment for Personal Property

(e) Estimated tax rate for Personal Property based on the most recent Ohio Annual Property Tax Return Filing

(f) Calculation: Line 3 x Percentage from the most recent Ohio Annual Property Tax Return Filing

Ohio Edison Company: 16-1820-EL-RDR

Annual Real Property Tax Expense on Estimated Plant Balances as of February 28, 2017

Schedule C-3.10a2 (Estimate)  
Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Real Property (a)	\$ 20,318,859	\$ 28,806,072	\$ 104,361,210
2	Real Property Tax Rate (b)	<u>1.006116%</u>	<u>1.006116%</u>	<u>1.006116%</u>
3	Real Property Tax (1 x 2)	\$ 204,431	\$ 289,823	\$ 1,049,995
4	Total Real Property Tax (Sum of 3)			<u>1,544,249</u>

(a) Schedule C-3.10a1 (Actual)

(b) Estimated tax rate for Real Estate based on the most recent Ohio Annual Property Tax Return Filing

Calculated as follows:

(1) Real Property Capitalized Cost	\$ 227,294,730	Book cost of real property used to compare to assessed
(2) Real Property Taxes Paid	<u>\$2,286,849</u>	value of real property to derive a true value percentage
(3) Real Property Tax Rate (Paid vs. Capital Costs)	<u><u>1.006116%</u></u>	Calculation: (2) / (1)

The Cleveland Electric Illuminating Company: 16-1819-EL-RDR  
 Ohio Edison Company: 16-1820-EL-RDR  
 The Toledo Edison Company: 16-1821-EL-RDR

**Summary of Exclusions per Case No. 14-1297-EL-SSO  
 Estimated 2/28/2017 Plant in Service Balances**

**General Adjustments**

ATSI Land Lease Certain amounts (summarized below) in account 350 are associated with land leased to ATSI, FirstEnergy's transmission subsidiary. Consistent with Case No. 07-551-EL-AIR, these amounts are not jurisdictional to distribution related plant in service, and have been excluded accordingly for each operating company. There is no accumulated depreciation reserve associated with land.

FERC Account 350	CEI	OE	TE
Gross Plant	\$ 56,405,971	\$ 86,973,963	\$ 15,628,387
Reserve	\$ -	\$ -	\$ -

**ESP IV Adjustments**

Consistent with prior ESPs, "capital additions recovered through Riders LEX, EDR, and AMI will be identified and excluded from Rider DCR and the annual cap allowance" during ESP IV.

AMI Only CEI has an AMI project so this exclusion does not impact OE or TE. Source: Forecast as of December 2016, adjusted to reflect current assumptions. Exclusions related to Rider AMI are determined by specific depreciation groups in PowerPlant and WBS CE-004000

FERC Account	CEI	
	Gross	Reserve
303	\$ (1,795,631)	\$ (42,194)
362	\$ 5,402,201	\$ 1,313,343
364	\$ 174,161	\$ 43,043
365	\$ 1,554,239	\$ 854,827
367	\$ 12,358	\$ 2,307
368	\$ 208,367	\$ 85,826
370	\$ 17,884,914	\$ 5,833,063
397	\$ 4,789,785	\$ 1,569,165
Grand Total	\$ 28,230,395	\$ 9,659,380

LEX As implemented by the Companies, Rider LEX will recover deferred expenses associated with lost up-front line extension payments from 2009-2011. These deferred expenses are recorded as a regulatory asset, not as plant in service, on the Companies' books. Therefore, there is no adjustment to plant in service associated with Rider LEX.

EDR Exclusions related to Rider EDR(g) are determined by the WBS CE-000303.

FERC Account	CEI	
	Gross	Reserve
353	\$ (6,587)	\$ (752)
356	\$ (815)	\$ 9
358	\$ 26,659	\$ 996
360	\$ 9,234	\$ -
362	\$ (4,581)	\$ 1,101
364	\$ (32,039)	\$ (5,817)
365	\$ (20,511)	\$ (1,574)
366	\$ -	\$ 1,905
367	\$ (15,725)	\$ 8,687
368	\$ (32,368)	\$ (795)
369	\$ (796)	\$ 1
370	\$ 23,880	\$ 286
371	\$ (6,159)	\$ (875)
373	\$ (2,685)	\$ (415)
390	\$ (0)	\$ 225
Grand Total	\$ (62,493)	\$ 2,981

The Cleveland Electric Illuminating Company: 16-1819-EL-RDR  
 Ohio Edison Company: 16-1820-EL-RDR  
 The Toledo Edison Company: 16-1821-EL-RDR

**Service Company Allocations to the Ohio Operating Companies (Estimate)**

	Service Company	CEI	OE	TE	TOTAL
(1) Allocation Factors from Case 07-551		14.21%	17.22%	7.58%	
(2) Gross Plant	\$ 694,463,834	\$ 98,683,311	\$ 119,586,672	\$ 52,640,359	\$ 270,910,342
(3) Reserve	\$ 335,238,311	\$ 47,637,364	\$ 57,728,037	\$ 25,411,064	\$ 130,776,465
(4) ADIT	\$ 79,260,799	\$ 11,262,960	\$ 13,648,710	\$ 6,007,969	\$ 30,919,638
(5) <b>Rate Base</b>	<b>\$ 39,782,987</b>	<b>\$ 48,209,925</b>	<b>\$ 21,221,326</b>	<b>\$ 109,214,239</b>	
(6) Depreciation Expense (Incremental)	\$ 5,072,657	\$ 6,147,161	\$ 2,705,893	\$ 13,925,711	
(7) Property Tax Expense (Incremental)	\$ 61,239	\$ 74,211	\$ 32,667	\$ 168,117	
(8) <b>Total Expenses</b>	<b>\$ 5,133,896</b>	<b>\$ 6,221,372</b>	<b>\$ 2,738,560</b>	<b>\$ 14,093,828</b>	

- (2) Estimated Gross Plant = 2/28/2017 General and Intangible Plant Balances in the forecast as of December 2016 adjusted to reflect current assumptions and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR audit reports
- (3) Estimated Reserve = 2/28/2017 General and Intangible Reserve Balances in the forecast as of December 2016 adjusted to reflect current assumptions and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR audit reports
- (4) ADIT: Estimated ADIT Balances as of 2/28/2017
- (5) Rate Base = Gross Plant - Reserve - ADIT
- (6) Estimated incremental depreciation expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant: Case No. 07-551-EL-AIR vs. Estimated 2/28/2017 Balances" workpaper.
- (7) Estimated incremental property tax expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant: Case No. 07-551-EL-AIR vs. Estimated 2/28/2017 Balances" workpaper.
- (8) Total Expenses = Depreciation Expense + Property Tax Expense

All Service Company Allocations for Gross Plant and Reserve can be found on Sch B2.1 (Estimate) and Sch B3 (Estimate), respectively, in order to determine the Grand Totals shown on the "Rider DCR Estimated Distribution Rate Base Additions as of 2/28/2017: Revenue Requirement" workpaper.

**Depreciation Rate for Service Company Plant (Estimate)**

**I. Estimated Depreciation Accrual Rate for Service Company Plant as of May 31, 2007**

Line No.	(A) Account	(B) Account Description	(C) 5/31/2007			(F) Accrual Rates				(J) Depreciation Expense
			Gross	Reserve	Net	CEI	OE	TE	Average	
1	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
2	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
<b>GENERAL PLANT</b>										
3	389	Fee Land & Easements	\$ 556,979	\$ -	\$ 556,979	0.00%	0.00%	0.00%	0.00%	\$ -
4	390	Structures, Improvements *	\$ 21,328,601	\$ 7,909,208	\$ 13,419,393	2.20%	2.50%	2.20%	2.33%	\$ 497,474
5	390.3	Struct Imprv, Leasehold Imp **	\$ 6,938,688	\$ 1,006,139	\$ 5,932,549	22.34%	20.78%	0.00%	21.49%	\$ 1,490,798
6	391.1	Office Furn., Mech. Equip.	\$ 31,040,407	\$ 24,400,266	\$ 6,640,141	7.60%	3.80%	3.80%	5.18%	\$ 1,609,200
7	391.2	Data Processing Equipment	\$ 117,351,991	\$ 26,121,795	\$ 91,230,196	10.56%	17.00%	9.50%	13.20%	\$ 15,486,721
8	392	Transportation Equipment	\$ 11,855	\$ 1,309	\$ 10,546	6.07%	7.31%	6.92%	6.78%	\$ 804
9	393	Stores Equipment	\$ 16,787	\$ 1,447	\$ 15,340	6.67%	2.56%	3.13%	4.17%	\$ 700
10	394	Tools, Shop, Garage Equip.	\$ 11,282	\$ 506	\$ 10,776	4.62%	3.17%	3.33%	3.73%	\$ 421
11	395	Laboratory Equipment	\$ 127,988	\$ 11,126	\$ 116,862	2.31%	3.80%	2.86%	3.07%	\$ 3,935
12	396	Power Operated Equipment	\$ 160,209	\$ 20,142	\$ 140,067	4.47%	3.48%	5.28%	4.19%	\$ 6,713
13	397	Communication Equipment ***	\$ 56,845,501	\$ 32,304,579	\$ 24,540,922	7.50%	5.00%	5.88%	6.08%	\$ 3,457,148
14	398	Misc. Equipment	\$ 465,158	\$ 27,982	\$ 437,176	6.67%	4.00%	3.33%	4.84%	\$ 22,525
15	399.1	ARC General Plant	\$ 40,721	\$ 16,948	\$ 23,773	0.00%	0.00%	0.00%	0.00%	\$ -
16			\$ 234,896,167	\$ 91,821,447	\$ 143,074,720					\$ 22,576,438
<b>INTANGIBLE PLANT</b>										
17	301	Organization	\$ 49,344	\$ 49,344	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -
18	303	Misc. Intangible Plant	\$ 75,721,715	\$ 46,532,553	\$ 29,189,162	14.29%	14.29%	14.29%	14.29%	\$ 10,820,633
19	303	Katz Software	\$ 1,268,271	\$ 1,027,642	\$ 240,630	14.29%	14.29%	14.29%	14.29%	\$ 181,236
20	303	Software 1999	\$ 10,658	\$ 4,881	\$ 5,777	14.29%	14.29%	14.29%	14.29%	\$ 1,523
21	303	Software GPU SC00	\$ 2,343,368	\$ 2,343,368	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
22	303	Impairment June 2000	\$ 77	\$ 77	\$ (0)	14.29%	14.29%	14.29%	14.29%	\$ -
23	303	3 year depreciable life	\$ 55,645	\$ 14,684	\$ 40,961	14.29%	14.29%	14.29%	14.29%	\$ 7,952
24	303	Debt Gross-up (FAS109): General	\$ 117,298	\$ 117,298	\$ -	3.87%	3.87%	3.87%	3.87%	\$ -
25	303	Debt Gross-up (FAS109): G/P Land	\$ 1,135	\$ 1,137	\$ (2)	3.87%	3.87%	3.87%	3.87%	\$ -
26			\$ 79,567,511	\$ 50,090,984	\$ 29,476,527					\$ 11,011,344
27	<b>TOTAL - GENERAL &amp; INTANGIBLE</b>		\$ 314,463,678	\$ 141,912,431	\$ 172,551,247				<b>10.68%</b>	\$ <b>33,587,782</b>

**NOTES**

(C) - (E) Service Company plant balances as of May 31, 2007.

(F) - (H) Source: Case No. 07-551-EL-AIR. Staff workpapers, Schedule B3.2.

In Case No. 07-551-EL-AIR, CEI and TE did not have an accrual rate for Account 303 (FAS 109 - General). Assumed to be the same as OE.

(I) Weighted average of columns F through H based on Service Company allocation factors on Line 2.

Assumes that the accrual rate, by account, for Service Company plant is equal to the weighted average of the three operating companies.

(J) Estimated depreciation expense associated with Service Company plant as of 5/31/07. Calculation: Column C x Column I.

\* Includes accounts 390.1 and 390.2.

\*\* Weighted average accrual rate is taken over CEI and OE only. (TE had no balance in Case No. 07-551-EL-AIR).

\*\*\* Includes accounts 397 and 397.1



**Depreciation Rate for Service Company Plant (Estimate)**

**II. Estimated Depreciation Accrual Rate for Service Company Plant as of February 28, 2017**

Line No.	(A) Account	(B) Account Description	(C) Estimated 2/28/2017 Balances			(F) Accrual Rates				(J) Depreciation Expense
			Gross	(D) Reserve	(E) Net	CEI	(G) OE	(H) TE	(I) Average	
28	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
29	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
<b>GENERAL PLANT</b>										
30	389	Fee Land & Easements	\$ 230,947	\$ -	\$ 230,947	0.00%	0.00%	0.00%	0.00%	\$ -
31	390	Structures, Improvements *	\$ 47,658,738	\$ 22,791,219	\$ 24,867,520	2.20%	2.50%	2.20%	2.33%	\$ 1,111,606
32	390.3	Struct Imprv, Leasehold Imp **	\$ 15,402,536	\$ 7,127,591	\$ 8,274,945	22.34%	20.78%	0.00%	21.49%	\$ 3,309,281
33	391.1	Office Furn., Mech. Equip.	\$ 16,794,159	\$ 10,076,025	\$ 6,718,134	7.60%	3.80%	3.80%	5.18%	\$ 870,644
34	391.2	Data Processing Equipment	\$ 156,445,698	\$ 37,704,046	\$ 118,741,652	10.56%	17.00%	9.50%	13.20%	\$ 20,645,843
35	392	Transportation Equipment	\$ 443,733	\$ 150,508	\$ 293,225	6.07%	7.31%	6.92%	6.78%	\$ 30,096
36	393	Stores Equipment	\$ 16,715	\$ 6,973	\$ 9,742	6.67%	2.56%	3.13%	4.17%	\$ 697
37	394	Tools, Shop, Garage Equip.	\$ 199,565	\$ 19,310	\$ 180,255	4.62%	3.17%	3.33%	3.73%	\$ 7,442
38	395	Laboratory Equipment	\$ 108,485	\$ 28,446	\$ 80,039	2.31%	3.80%	2.86%	3.07%	\$ 3,335
39	396	Power Operated Equipment	\$ 424,994	\$ 82,507	\$ 342,488	4.47%	3.48%	5.28%	4.19%	\$ 17,809
40	397	Communication Equipment ***	\$ 108,845,513	\$ 35,539,058	\$ 73,306,455	7.50%	5.00%	5.88%	6.08%	\$ 6,619,610
41	398	Misc. Equipment	\$ 3,135,869	\$ 1,005,907	\$ 2,129,961	6.67%	4.00%	3.33%	4.84%	\$ 151,851
42	399.1	ARC General Plant	\$ 40,721	\$ 25,993	\$ 14,728	0.00%	0.00%	0.00%	0.00%	\$ -
43			\$ 349,747,675	\$ 114,557,583	\$ 235,190,092					\$ 32,768,215
<b>INTANGIBLE PLANT</b>										
44	301	FECO 101/6-301 Organization Fst	\$ 49,344	\$ 49,344	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -
45	303	FECO 101/6 303 Intangibles	\$ 22,515,681	\$ 9,931,032	\$ 12,584,649	14.29%	14.29%	14.29%	14.29%	\$ 3,217,491
46	303	FECO 101/6 303 Katz Software	\$ 1,268,271	\$ 1,268,271	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
47	303	FECO 101/6-303 2003 Software	\$ 24,400,196	\$ 24,400,196	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
48	303	FECO 101/6-303 2004 Software	\$ 12,676,215	\$ 12,676,215	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
49	303	FECO 101/6-303 2005 Software	\$ 1,086,776	\$ 1,086,776	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
50	303	FECO 101/6-303 2006 Software	\$ 5,680,002	\$ 5,680,002	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
51	303	FECO 101/6-303 2007 Software	\$ 7,245,250	\$ 7,245,250	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
52	303	FECO 101/6-303 2008 Software	\$ 7,404,178	\$ 7,404,178	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
53	303	FECO 101/6-303 2009 Software	\$ 15,969,099	\$ 15,969,099	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
54	303	FECO 101/6-303 2010 Software	\$ 19,353,964	\$ 18,501,989	\$ 851,975	14.29%	14.29%	14.29%	14.29%	\$ 851,975
55	303	FECO 101/6-303 2011 Software	\$ 53,742,285	\$ 43,209,881	\$ 10,532,403	14.29%	14.29%	14.29%	14.29%	\$ 7,679,772
56	303	FECO 101/6-303 2012 Software	\$ 38,042,303	\$ 23,741,889	\$ 14,300,414	14.29%	14.29%	14.29%	14.29%	\$ 5,436,245
57	303	FECO 101/6-303 2013 Software	\$ 79,856,605	\$ 36,108,255	\$ 43,748,350	14.29%	14.29%	14.29%	14.29%	\$ 11,411,509
58	303	FECO 101/6-303 2014 Software	\$ 24,001,063	\$ 7,855,060	\$ 16,146,002	14.29%	14.29%	14.29%	14.29%	\$ 3,429,752
59	303	FECO 101/6-303 2015 Software	\$ 26,988,199	\$ 5,135,192	\$ 21,853,007	14.29%	14.29%	14.29%	14.29%	\$ 3,856,614
60	303	FECO 101/6-303 2016 Software	\$ 4,436,727	\$ 433,206	\$ 4,003,521	14.29%	14.29%	14.29%	14.29%	\$ 634,008
61			\$ 344,716,159	\$ 220,695,838	\$ 124,020,321					\$ 36,517,366
62	Removal Work in Progress (RWIP)		\$ (15,110)							
63	<b>TOTAL - GENERAL &amp; INTANGIBLE</b>		\$ 694,463,834	\$ 335,238,311	\$ 359,210,413	<b>9.98%</b>				\$ <b>69,285,581</b>

**NOTES**

- (C) - (E) Estimated 2/28/2017 balances. Source: The forecast as of December 2016 adjusted to reflect current assumptions and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR audit reports.
- (F) - (H) Source: Schedule B3.2 (Estimate).
- (I) Weighted average of columns F through H based on Service Company allocation factors on Line 29. Assumes that the accrual rate, by account, for Service Company plant is equal to the weighted average of the three operating companies.
- (J) Estimated depreciation expense associated with Service Company plant as of 2/28/2017. Calculation: Column C x Column I.
- \* Includes accounts 390.1 and 390.2.
- \*\* Weighted average accrual rate is taken over CEI and OE only. (TE had no balance in Case No. 07-551-EL-AIR).
- \*\*\* Includes accounts 397 and 397.1

The Cleveland Electric Illuminating Company: 16-1819-EL-RDR  
Ohio Edison Company: 16-1820-EL-RDR  
The Toledo Edison Company: 16-1821-EL-RDR

**Property Tax Rate for Service Company Plant (Estimate)**

<b>I. Average Real Property Tax Rates on General Plant as of May 31, 2007 *</b>						
	(A)	(B)	(C)	(D)	(E)	(F)
No.	Category	CEI	OE	TE	Average **	Source / Calculation
1	Allocation Factors	14.21%	17.22%	7.58%	39.01%	"Service Company Allocations to the Ohio Operating Companies (Estimate)" workpaper
2	Weighted Allocation Factors	36.43%	44.14%	19.43%	100.00%	Weighted Line 1
<u>Real Property Tax</u>						
3	True Value Percentage	72.69%	62.14%	49.14%	63.45%	Case No. 07-551-EL-AIR.
4	Assessment Percentage	35.00%	35.00%	35.00%	35.00%	Case No. 07-551-EL-AIR.
5	Real Property Tax Rate	7.23%	6.04%	7.23%	6.70%	Case No. 07-551-EL-AIR.
6	Average Rate	1.84%	1.31%	1.24%	1.49%	Line 3 x Line 4 x Line 5
* Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax. Accordingly, for purposes of determining the average Property Tax rate applicable to Service Company plant, only Real Property Tax is considered.						
** Weighted average based on Service Company allocation factors. Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies.						

<b>II. Estimated Property Tax Rate for Service Company General Plant as of May 31, 2007</b>						
	(A)	(B)	(C)	(D)	(E)	(F)
No.	Account	Account Description	Tax Category	Avg. Tax Rate	Gross Plant	Property Tax
7	389	Fee Land & Easements	Real	1.49%	\$ 556,979	\$ 8,294
8	390	Structures, Improvements	Real	1.49%	\$ 21,328,601	\$ 317,594
9	390.3	Struct Imprv, Leasehold Imp	Real	1.49%	\$ 6,938,688	\$ 103,321
10	391.1	Office Furn., Mech. Equip.	Personal		\$ 31,040,407	\$ -
11	391.2	Data Processing Equipment	Personal		\$ 117,351,991	\$ -
12	392	Transportation Equipment	Personal		\$ 11,855	\$ -
13	393	Stores Equipment	Personal		\$ 16,787	\$ -
14	394	Tools, Shop, Garage Equip.	Personal		\$ 11,282	\$ -
15	395	Laboratory Equipment	Personal		\$ 127,988	\$ -
16	396	Power Operated Equipment	Personal		\$ 160,209	\$ -
17	397	Communication Equipment	Personal		\$ 56,845,501	\$ -
18	398	Misc. Equipment	Personal		\$ 465,158	\$ -
19	399.1	ARC General Plant	Personal		\$ 40,721	\$ -
20	<b>TOTAL - GENERAL PLANT</b>				\$ 234,896,167	\$ 429,208
21	<b>TOTAL - INTANGIBLE PLANT</b>				\$ 79,567,511	\$ -
22	<b>TOTAL - GENERAL &amp; INTANGIBLE PLANT</b>				\$ 314,463,678	\$ 429,208
23	<b>Average Effective Real Property Tax Rate</b>					<b>0.14%</b>

**NOTES**

- (C) Source: Case No. 07-551-EL-AIR, Schedule C3.10. Classification of General Plant account as Real or Personal Property
- (D) Average property tax rate across CEI, OE, and TE. See Section I above.  
Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax.
- (E) Service Company General plant as of May 31, 2007.
- (F) Calculation: Column D x Column E

The Cleveland Electric Illuminating Company: 16-1819-EL-RDR  
 Ohio Edison Company: 16-1820-EL-RDR  
 The Toledo Edison Company: 16-1821-EL-RDR

**Property Tax Rate for Service Company Plant (Estimate)**

<b>III. Estimated Average Real Property Tax Rates on General Plant as of February 28, 2017 *</b>						
No.	(A) Category	(B) CEI	(C) OE	(D) TE	(E) Average **	(F) Source / Calculation
24	Allocation Factors	14.21%	17.22%	7.58%	39.01%	"Service Company Allocations to the Ohio Operating Companies (Estimate)" workpaper
25	Weighted Allocation Factors	36.43%	44.14%	19.43%	100.00%	Weighted Line 24
<u>Real Property Tax</u>						
26	Average Rate	1.69%	1.01%	1.53%	1.36%	Schedule C3.10a2 (Estimate)
* Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax. Accordingly, for purposes of determining the average Property Tax rate applicable to Service Company plant, only Real Property Tax is considered.						
** Weighted average based on Service Company allocation factors. Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies.						

<b>IV. Estimated Property Tax Rate for Service Company General Plant as of February 28, 2017</b>						
No.	(A) Account	(B) Account Description	(C) Tax Category	(D) Avg. Tax Rate	(E) Gross Plant	(F) Property Tax
27	389	Fee Land & Easements	Real	1.36%	\$ 230,947	\$ 3,139
28	390	Structures, Improvements	Real	1.36%	\$ 47,658,738	\$ 647,701
29	390.3	Struct Imprv, Leasehold Imp	Real	1.36%	\$ 15,402,536	\$ 209,327
30	391.1	Office Furn., Mech. Equip.	Personal		\$ 16,794,159	\$ -
31	391.2	Data Processing Equipment	Personal		\$ 156,445,698	\$ -
32	392	Transportation Equipment	Personal		\$ 443,733	\$ -
33	393	Stores Equipment	Personal		\$ 16,715	\$ -
34	394	Tools, Shop, Garage Equip.	Personal		\$ 199,565	\$ -
35	395	Laboratory Equipment	Personal		\$ 108,485	\$ -
36	396	Power Operated Equipment	Personal		\$ 424,994	\$ -
37	397	Communication Equipment	Personal		\$ 108,845,513	\$ -
38	398	Misc. Equipment	Personal		\$ 3,135,869	\$ -
39	399.1	ARC General Plant	Personal		\$ 40,721	\$ -
40	<b>TOTAL - GENERAL PLANT</b>				\$ 349,747,675	\$ 860,167
41	<b>TOTAL - INTANGIBLE PLANT</b>				\$ 344,716,159	\$ -
42	<b>TOTAL - GENERAL &amp; INTANGIBLE PLANT</b>				\$ 694,463,834	\$ 860,167
43	<b>Average Effective Real Property Tax Rate</b>					<b>0.12%</b>

**NOTES**

- (C) Source: Schedule C3.10 (Estimate). Classification of General Plant account as Real or Personal Property
- (D) Weighted average property tax rate across CEI, OE, and TE. See Section III above.  
Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax.
- (E) Estimated Service Company General gross plant balances as of 2/28/2017. Source: The forecast as of December 2016 adjusted to reflect current assumptions and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR audit reports.
- (F) Calculation: Column D x Column E

**Incremental Depreciation and Property Tax Associated with Service Company Plant**  
**Case No. 07-551-EL-AIR vs. Estimated 2/28/2017 Balances**

<b>I. Estimated Allocated Service Company Plant and Related Expenses as of February 28, 2017</b>							
Line	Category	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
1	Allocation Factor		14.21%	17.22%	7.58%	39.01%	Case No. 07-551-EL-AIR
	<u>Total Plant</u>						
2	Gross Plant	\$ 694,463,834	\$ 98,683,311	\$ 119,586,672	\$ 52,640,359	\$ 270,910,342	"Depreciation Rate for Service Company Plant (Estimate)" workpaper, Line 63 x Line 1
3	Accum. Reserve	\$ (335,238,311)	\$ (47,637,364)	\$ (57,728,037)	\$ (25,411,064)	\$ (130,776,465)	"Depreciation Rate for Service Company Plant (Estimate)" workpaper, Line 63 x Line 1
4	Net Plant	<u>\$ 359,225,523</u>	<u>\$ 51,045,947</u>	<u>\$ 61,858,635</u>	<u>\$ 27,229,295</u>	<u>\$ 140,133,876</u>	Line 2 + Line 3
5	Depreciation *	9.98%	\$ 9,845,481	\$ 11,930,977	\$ 5,251,847	\$ 27,028,305	Average Rate x Line 2
6	Property Tax *	0.12%	\$ 122,230	\$ 148,121	\$ 65,201	\$ 335,551	Average Rate x Line 2
7	Total Expenses		<u>\$ 9,967,711</u>	<u>\$ 12,079,098</u>	<u>\$ 5,317,048</u>	<u>\$ 27,363,856</u>	

\* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant, as of 2/28/2017.  
See line 63 of the "Depreciation Rate for Service Company Plant (Estimate)" workpaper and line 43 of the "Property Tax Rate for Service Company Plant (Estimate)" workpaper for more details.

<b>II. Estimated Allocated Service Company Plant and Related Expenses as of May 31, 2007</b>							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
8	Allocation Factor		14.21%	17.22%	7.58%	39.01%	Case No. 07-551-EL-AIR
	<u>Total Plant</u>						
9	Gross Plant	\$ 314,463,678	\$ 44,685,289	\$ 54,150,645	\$ 23,836,347	\$ 122,672,281	"Depreciation Rate for Service Company Plant (Estimate)" workpaper, Line 27 x Line 8
10	Accum. Reserve	\$ (141,912,431)	\$ (20,165,756)	\$ (24,437,321)	\$ (10,756,962)	\$ (55,360,039)	"Depreciation Rate for Service Company Plant (Estimate)" workpaper, Line 27 x Line 8
11	Net Plant	<u>\$ 172,551,247</u>	<u>\$ 24,519,532</u>	<u>\$ 29,713,325</u>	<u>\$ 13,079,385</u>	<u>\$ 67,312,242</u>	Line 9 + Line 10
12	Depreciation *	10.68%	\$ 4,772,824	\$ 5,783,816	\$ 2,545,954	\$ 13,102,594	Average Rate x Line 9
13	Property Tax *	0.14%	\$ 60,990	\$ 73,910	\$ 32,534	\$ 167,434	Average Rate x Line 9
14	Total Expenses		<u>\$ 4,833,814</u>	<u>\$ 5,857,726</u>	<u>\$ 2,578,488</u>	<u>\$ 13,270,028</u>	Line 12 + Line 13

\* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant as of 5/31/07.  
See line 27 of the "Depreciation Rate for Service Company Plant (Estimate)" workpaper and line 23 of the "Property Tax Rate for Service Company Plant (Estimate)" workpaper for more details.

<b>III. Estimated Incremental Expenses Associated with Allocated Service Company Plant *</b>							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
15	Depreciation	-0.70%	\$ 5,072,657	\$ 6,147,161	\$ 2,705,893	\$ 13,925,711	Line 5 - Line 12
16	Property Tax	-0.01%	\$ 61,239	\$ 74,211	\$ 32,667	\$ 168,117	Line 6 - Line 13
17	Total Expenses		<u>\$ 5,133,896</u>	<u>\$ 6,221,372</u>	<u>\$ 2,738,560</u>	<u>\$ 14,093,828</u>	Line 15 + Line 16

\* In Case No. 07-551-EL-AIR, test year operating expenses included allocated depreciation and property tax associated with Service Company plant. This section calculates the difference between the estimated level of these expenses included in base rates and the expected expenses to be incurred based on Service Company plant balances as of February 28, 2017. The incremental expenses calculated on Line 17 above are added to the Rider DCR revenue requirements.

**Intangible Depreciation Expense Calculation**  
**Estimated 2/28/2017 Balances**

**NOTE**

The software accounts are amortized over a 7 year period (leading to an accrual rate of 14.29%), and many of these accounts have already been fully amortized. Therefore, applying the 14.29% accrual rate to the Gross Plant (the methodology employed for all other accounts) overstates the "depreciation expense" associated with intangible plant. This worksheet looks at each sub account within intangible plant and calculates the expense by applying the 14.29% to only those sub-accounts that are not fully amortized yet.

Company (A)	Utility Account (B)	Function (C)	Gross Plant Feb-17 (D)	Reserve Feb-17 (E)	Net Plant Feb-17 (F)	Accrual Rates (G)	Depreciation Exp (H)
CECO	The Illuminating Co.	CECO 101/6-303 2002 Software	\$ 2,966,784	\$ 2,966,784	\$ -	14.29%	\$ -
CECO	The Illuminating Co.	CECO 101/6-303 2003 Software	\$ 1,307,067	\$ 1,307,067	\$ -	14.29%	\$ -
CECO	The Illuminating Co.	CECO 101/6-303 2004 Software	\$ 3,596,344	\$ 3,596,344	\$ -	14.29%	\$ -
CECO	The Illuminating Co.	CECO 101/6-303 2005 Software	\$ 1,222,419	\$ 1,222,419	\$ -	14.29%	\$ -
CECO	The Illuminating Co.	CECO 101/6-303 2006 Software	\$ 1,811,335	\$ 1,811,335	\$ -	14.29%	\$ -
CECO	The Illuminating Co.	CECO 101/6-303 2007 Software	\$ 5,875,570	\$ 5,875,570	\$ -	14.29%	\$ -
CECO	The Illuminating Co.	CECO 101/6-303 2008 Software	\$ 1,070,599	\$ 1,070,599	\$ -	14.29%	\$ -
CECO	The Illuminating Co.	CECO 101/6-303 2009 Software	\$ 3,244,607	\$ 3,244,607	\$ -	14.29%	\$ -
CECO	The Illuminating Co.	CECO 101/6-303 2010 Software	\$ 2,807,821	\$ 2,675,650	\$ 132,171	14.29%	\$ 132,171
CECO	The Illuminating Co.	CECO 101/6-303 2011 Software	\$ 5,818,089	\$ 4,714,370	\$ 1,103,719	14.29%	\$ 831,405
CECO	The Illuminating Co.	CECO 101/6-303 2012 Software	\$ 765,234	\$ 455,418	\$ 309,816	14.29%	\$ 109,352
CECO	The Illuminating Co.	CECO 101/6-303 2013 Software	\$ 2,217,818	\$ 1,169,095	\$ 1,048,723	14.29%	\$ 316,926
CECO	The Illuminating Co.	CECO 101/6-303 2014 Software	\$ 3,404,898	\$ 1,011,838	\$ 2,393,060	14.29%	\$ 486,560
CECO	The Illuminating Co.	CECO 101/6-303 2015 Software	\$ 1,607,429	\$ 290,430	\$ 1,316,999	14.29%	\$ 229,702
CECO	The Illuminating Co.	CECO 101/6-303 2016 Software	\$ 1,344,984	\$ 114,001	\$ 1,230,982	14.29%	\$ 192,198
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Dist- Forecast	\$ 2,001,124	\$ 2,001,124	\$ -	3.18%	\$ -
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Transm-FCT	\$ 1,176,339	\$ 1,100,243	\$ 76,096	2.15%	\$ 25,291
CECO	The Illuminating Co.	CECO 101/6-303 Software	\$ 3,904,672	\$ 1,038,463	\$ 2,866,209	14.29%	\$ 557,978
CECO	The Illuminating Co.	CECO 101/6-303 Software Evolution	\$ 12,454,403	\$ 12,454,403	\$ -	14.29%	\$ -
<b>Total</b>			<b>\$ 58,597,536</b>	<b>\$ 48,119,761</b>	<b>\$ 10,477,775</b>		<b>\$ 2,881,583</b>
OECO	Ohio Edison Co.	OECO 101/6-301 Organization	\$ -	\$ -	\$ -	0.00%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2002 Software	\$ 3,690,067	\$ 3,690,067	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2003 Software	\$ 17,568,726	\$ 17,568,726	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2004 Software	\$ 4,524,343	\$ 4,524,343	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2005 Software	\$ 1,469,370	\$ 1,469,370	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2006 Software	\$ 2,754,124	\$ 2,754,124	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2007 Software	\$ 7,208,211	\$ 7,208,211	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2008 Software	\$ 1,343,335	\$ 1,343,335	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2009 Software	\$ 4,181,304	\$ 4,181,304	\$ -	14.29%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 2010 Software	\$ 3,293,501	\$ 3,154,226	\$ 139,275	14.29%	\$ 139,275
OECO	Ohio Edison Co.	OECO 101/6-303 2011 Software	\$ 8,201,370	\$ 6,552,953	\$ 1,648,418	14.29%	\$ 1,171,976
OECO	Ohio Edison Co.	OECO 101/6-303 2012 Software	\$ 963,533	\$ 630,700	\$ 332,832	14.29%	\$ 137,689
OECO	Ohio Edison Co.	OECO 101/6-303 2013 Software	\$ 5,934,618	\$ 2,678,622	\$ 3,255,996	14.29%	\$ 848,057
OECO	Ohio Edison Co.	OECO 101/6-303 2014 Software	\$ 5,606,085	\$ 1,750,819	\$ 3,855,266	14.29%	\$ 801,110
OECO	Ohio Edison Co.	OECO 101/6-303 2015 Software	\$ 4,937,305	\$ 559,695	\$ 4,377,610	14.29%	\$ 705,541
OECO	Ohio Edison Co.	OECO 101/6-303 2016 Software	\$ 2,467,789	\$ 1	\$ 2,467,788	14.29%	\$ 352,647
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Dist Land	\$ 37,082	\$ -	\$ 37,082	2.89%	\$ 1,072
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Distribution	\$ 1,556,361	\$ 1,556,361	\$ -	2.89%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 General Lan	\$ 7,778	\$ -	\$ 7,778	3.87%	\$ 301
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 General Plt	\$ 191,313	\$ 185,356	\$ 5,958	3.87%	\$ 9,958
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Trans Land	\$ 1,326,229	\$ -	\$ 1,326,229	2.33%	\$ 30,901
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Transmissio	\$ 697,049	\$ 697,049	\$ -	2.33%	\$ -
OECO	Ohio Edison Co.	OECO 101/6-303 Intangibles	\$ 3,053,685	\$ 1,684,139	\$ 1,369,546	14.29%	\$ 436,372
<b>Total</b>			<b>\$ 81,013,179</b>	<b>\$ 62,189,400</b>	<b>\$ 18,823,778</b>		<b>\$ 4,630,898</b>
TECO	Toledo Edison Co.	TECO 101/6-303 2002 Software	\$ 1,708,412	\$ 1,708,412	\$ -	14.29%	\$ -
TECO	Toledo Edison Co.	TECO 101/6-303 2003 Software	\$ 7,478,386	\$ 7,478,386	\$ -	14.29%	\$ -
TECO	Toledo Edison Co.	TECO 101/6-303 2004 Software	\$ 862,457	\$ 862,457	\$ -	14.29%	\$ -
TECO	Toledo Edison Co.	TECO 101/6-303 2005 Software	\$ 699,602	\$ 699,602	\$ -	14.29%	\$ -
TECO	Toledo Edison Co.	TECO 101/6-303 2006 Software	\$ 834,734	\$ 834,734	\$ -	14.29%	\$ -
TECO	Toledo Edison Co.	TECO 101/6-303 2007 Software	\$ 3,182,793	\$ 3,182,793	\$ -	14.29%	\$ -
TECO	Toledo Edison Co.	TECO 101/6-303 2008 Software	\$ 578,276	\$ 578,276	\$ -	14.29%	\$ -
TECO	Toledo Edison Co.	TECO 101/6-303 2009 Software	\$ 1,878,497	\$ 1,878,497	\$ -	14.29%	\$ -
TECO	Toledo Edison Co.	TECO 101/6-303 2010 Software	\$ 1,456,652	\$ 1,391,799	\$ 64,853	14.29%	\$ 64,853
TECO	Toledo Edison Co.	TECO 101/6-303 2011 Software	\$ 2,259,889	\$ 1,830,312	\$ 429,577	14.29%	\$ 322,938
TECO	Toledo Edison Co.	TECO 101/6-303 2012 Software	\$ 554,875	\$ 321,248	\$ 233,626	14.29%	\$ 79,292
TECO	Toledo Edison Co.	TECO 101/6-303 2013 Software	\$ 1,587,424	\$ 682,201	\$ 905,223	14.29%	\$ 226,843
TECO	Toledo Edison Co.	TECO 101/6-303 2014 Software	\$ 2,002,108	\$ 690,441	\$ 1,311,667	14.29%	\$ 286,101
TECO	Toledo Edison Co.	TECO 101/6-303 2015 Software	\$ 678,393	\$ 127,973	\$ 550,420	14.29%	\$ 96,942
TECO	Toledo Edison Co.	TECO 101/6-303 2016 Software	\$ 839,215	\$ 83,109	\$ 756,106	14.29%	\$ 119,924
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Distribution	\$ 240,093	\$ 240,091	\$ 2	3.10%	\$ 2
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Transmission	\$ 54,210	\$ 50,916	\$ 3,295	2.37%	\$ 1,285
TECO	Toledo Edison Co.	TECO 101/6-303 Software	\$ 1,270,009	\$ 294,846	\$ 975,164	14.29%	\$ 181,484
<b>Total</b>			<b>\$ 28,186,025</b>	<b>\$ 22,938,092</b>	<b>\$ 5,229,933</b>		<b>\$ 1,379,684</b>

**NOTES**

- (D) - (F) Source: The forecast as of December 2016 adjusted to reflect current assumptions and incorporate recommendations from the March 2013, April 2014, April 2015, and April 2016 Rider DCR audit reports.
- (G) Source: Case No. 07-551-EL-AIR
- (H) Accrual rate only applies to the (non-land) gross plant of those accounts that are not fully amortized.

Rider Charge Calculation - Rider DCR

I. Annual Revenue Requirement For March - May 2017 Rider DCR Rates

	(A)	(B)
	Company	Rev Req 2/28/2017
(1)	CEI	\$ 111,809,308
(2)	OE	\$ 119,012,430
(3)	TE	\$ 29,242,534
(4)	TOTAL	\$ 260,064,272

NOTES

(B) Annual Revenue Requirement based on estimated 2/28/2017 Rate Base

II. Quarterly Revenue Requirement Additions

	(A)	(B)	(C)	(D)
	Description	CEI	OE	TE
(1)	DCR Audit Expense Recovery	\$ -	\$ -	\$ -
	December 2016 - February 2017 Reconciliation			
(2)	Amount Adjusted for March - May 2017	\$ (78,592)	\$ (603,789)	\$ (400,405)
(3)	Total Reconciliation	\$ (78,592)	\$ (603,789)	\$ (400,405)

SOURCES

- Line 1: Source: Remaining DCR Audit Expenses to be recovered during March - May 2017.  
 Line 2: Source: "Quarterly Revenue Requirement Additions: Calculation of December 2016 - February 2017 Reconciliation Amount Adjusted for March - May 2017" workpaper, Section III, Col. G  
 Line 3: Calculation: Line 1 + Line 2

**Rider Charge Calculation - Rider DCR**

III. Allocation of Total DCR Revenue Requirement to RS and Non-RS (Based on Sales)

	(A)	(B)	(C)	(D)	(E)	(F)
	Company	Rate Schedule	Annual KWH Sales		Annual Rev Req Allocations	Quarterly Reconciliation
			Total	% Total		
(1)	CEI	RS	5,370,016,786	33.52%	\$ 37,478,624	\$ (26,344)
(2)		GS, GP, GSU	10,650,258,163	66.48%	\$ 74,330,684	\$ (52,248)
(3)			16,020,274,949	100.00%	\$ 111,809,308	\$ (78,592)
(4)	OE	RS	8,968,434,073	48.20%	\$ 57,359,747	\$ (291,005)
(5)		GS, GP, GSU	9,639,652,512	51.80%	\$ 61,652,684	\$ (312,784)
(6)			18,608,086,585	100.00%	\$ 119,012,430	\$ (603,789)
(7)	TE	RS	2,465,036,691	44.10%	\$ 12,896,628	\$ (176,588)
(8)		GS, GP, GSU	3,124,324,894	55.90%	\$ 16,345,906	\$ (223,817)
(9)			5,589,361,586	100.00%	\$ 29,242,534	\$ (400,405)
(10)	OH	RS	16,803,487,550	41.78%	\$ 107,734,999	\$ (493,937)
(11)	TOTAL	GS, GP, GSU	23,414,235,570	58.22%	\$ 152,329,273	\$ (588,850)
(12)			40,217,723,120	100.00%	\$ 260,064,272	\$ (1,082,787)

**NOTES**

- (C) Source: Forecast for March through May 2017 (All forecasted numbers associated with the forecast as of December 2016)
- (D) Calculation: Individual Rate Schedule Total / Total for RS, GS, GP, GSU
- (E) Calculation: Annual Rider DCR Revenue Requirement from Section I, Column B x Column D
- (F) Calculation: Quarterly Reconciliation from Section II, Line 4 x Column D

**Rider Charge Calculation - Rider DCR**

IV. Allocation of DCR Revenue Requirement Amongst Non-RS Schedules

	(A) Company	(B) Rate Schedule	(D) Stipulation Allocation			(F) Annual Rev Req Allocations	(G) Quarterly Reconciliation
			(C) % of Total	% of Non-RS	(E) DCR Jurisd.		
(1)	CEI	RS	47.55%	0.00%	0.00%	\$ -	\$ -
(2)		GS	42.23%	80.52%	90.02%	\$ 66,911,292	\$ (47,033)
(3)		GP	0.63%	1.19%	1.33%	\$ 991,532	\$ (697)
(4)		GSU	4.06%	7.74%	8.65%	\$ 6,427,860	\$ (4,518)
(5)		GT	0.18%	0.35%	0.00%	\$ -	\$ -
(6)		STL	3.53%	6.73%	0.00%	\$ -	\$ -
(7)		POL	1.79%	3.41%	0.00%	\$ -	\$ -
(8)		TRF	0.03%	0.06%	0.00%	\$ -	\$ -
(9)			100.00%	100.00%	100.00%	\$ 74,330,684	\$ (52,248)
(10)		Subtotal (GT, STL, POL, TRF)		10.55%			
(11)	OE	RS	62.45%	0.00%	0.00%	\$ -	\$ -
(12)		GS	27.10%	72.17%	81.75%	\$ 50,402,896	\$ (255,710)
(13)		GP	5.20%	13.85%	15.69%	\$ 9,672,895	\$ (49,074)
(14)		GSU	0.85%	2.26%	2.56%	\$ 1,576,893	\$ (8,000)
(15)		GT	2.19%	5.84%	0.00%	\$ -	\$ -
(16)		STL	1.39%	3.70%	0.00%	\$ -	\$ -
(17)		POL	0.76%	2.02%	0.00%	\$ -	\$ -
(18)		TRF	0.06%	0.16%	0.00%	\$ -	\$ -
(19)			100.00%	100.00%	100.00%	\$ 61,652,684	\$ (312,784)
(20)		Subtotal (GT, STL, POL, TRF)		11.72%			
(21)	TE	RS	57.93%	0.00%	0.00%	\$ -	\$ -
(22)		GS	32.13%	76.36%	86.74%	\$ 14,178,398	\$ (194,139)
(23)		GP	4.80%	11.42%	12.97%	\$ 2,120,573	\$ (29,036)
(24)		GSU	0.11%	0.25%	0.29%	\$ 46,934	\$ (643)
(25)		GT	1.38%	3.29%	0.00%	\$ -	\$ -
(26)		STL	2.91%	6.92%	0.00%	\$ -	\$ -
(27)		POL	0.69%	1.64%	0.00%	\$ -	\$ -
(28)		TRF	0.05%	0.12%	0.00%	\$ -	\$ -
(29)			100.00%	100.00%	100.00%	\$ 16,345,906	\$ (223,817)
(30)		Subtotal (GT, STL, POL, TRF)		11.96%			

**NOTES**

- (C) Source: Stipulation in Case No. 07-551-EL-AIR.
- (D) Calculation: Individual Non-RS Rate Schedule Total from Column C / (1 - RS Total from Column C).
- (E) Besides customers taking service under Rate Schedule RS, Rider DCR is only applicable to customers taking service under Rate Schedules GS, GP, and GSU. Thus, the portion of the distribution rate increase allocated to Rate Schedules GT, STL, POL, and TRF per the Stipulation in Case No. 07-551-EL-AIR needs to be re-allocated across Rate Schedules GS, GP and GSU.  
Calculation: ((Column D) / Sum of GS, GP, GSU from Column D)
- (F) Calculation: Total Annual DCR Revenue Requirement Allocated to Non-RS customers from Section III x Column E.
- (G) Calculation: Quarterly Reconciliation Allocated to Non-RS customers from Section III x Column E.



**Rider Charge Calculation - Rider DCR**

V. Rider DCR Charge Calculation - Annual Revenue Requirement - Rate RS

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Annual Revenue Req	Annual KWH Sales	Annual Rev Req Charge (\$ / KWH)
(1)	CEI	RS	\$ 37,478,624	5,370,016,786	\$ 0.006979
(2)	OE	RS	\$ 57,359,747	8,968,434,073	\$ 0.006396
(3)	TE	RS	\$ 12,896,628	2,465,036,691	\$ 0.005232
(4)			\$ 107,734,999	16,803,487,550	

**NOTES**

- (C) Source: Section III, Column E.
- (D) Source: Forecast for March through May 2017 (All forecasted numbers associated with the forecast as of December 2016).
- (E) Calculation: Column C / Column D.

VI. Rider DCR Charge Calculation - Annual Revenue Requirement - Rate GS, Rate GP, Rate GSU

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Annual Revenue Req	Annual Billing Units (kW / kVa)	Annual Rev Req Charge (\$ / kW or \$ / kVa)
(1)	CEI	GS	\$ 66,911,292	21,558,048	\$ 3.1038 per kW
(2)		GP	\$ 991,532	905,984	\$ 1.0944 per kW
(3)		GSU	\$ 6,427,860	8,422,187	\$ 0.7632 per kW
(4)			\$ 74,330,684		
(5)	OE	GS	\$ 50,402,896	23,866,387	\$ 2.1119 per kW
(6)		GP	\$ 9,672,895	6,112,811	\$ 1.5824 per kW
(7)		GSU	\$ 1,576,893	2,349,325	\$ 0.6712 per kVa
(8)			\$ 61,652,684		
(9)	TE	GS	\$ 14,178,398	7,385,976	\$ 1.9196 per kW
(10)		GP	\$ 2,120,573	2,767,906	\$ 0.7661 per kW
(11)		GSU	\$ 46,934	229,347	\$ 0.2046 per kVa
(12)			\$ 16,345,906		

**NOTES**

- (C) Source: Section IV, Column F.
- (D) Source: Forecast for March through May 2017 (All forecasted numbers associated with the forecast as of December 2016).
- (E) Calculation: Column C / Column D.

**Rider Charge Calculation - Rider DCR**

VII. Rider DCR Charge Calculation - Quarterly Reconciliation - Rate RS

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Quarterly Revenue Req	Quarterly KWH Sales	Reconciliation (\$ / KWH)
(1)	CEI	RS	\$ (26,344)	1,186,462,198	\$ (0.00022)
(2)	OE	RS	\$ (291,005)	2,058,926,466	\$ (0.000141)
(3)	TE	RS	\$ (176,588)	537,781,647	\$ (0.000328)
(4)			\$ (493,937)	3,783,170,311	

**NOTES**

- (C) Source: Section III, Column F.
- (D) Source: Forecast for March through May 2017 (All forecasted numbers associated with the forecast as of December 2016).
- (E) Calculation: Column C / Column D.

VIII. Rider DCR Charge Calculation - Quarterly Reconciliation - Rate GS, Rate GP, Rate GSU

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Quarterly Revenue Req	Quarterly Billing Units (kW / kVa)	Reconciliation (\$ / kW or \$ / kVa)
(1)	CEI	GS	\$ (47,033)	5,174,628	\$ (0.0091) per kW
(2)		GP	\$ (697)	215,699	\$ (0.0032) per kW
(3)		GSU	\$ (4,518)	2,042,028	\$ (0.0022) per kW
(4)			\$ (52,248)		
(5)	OE	GS	\$ (255,710)	5,693,941	\$ (0.0449) per kW
(6)		GP	\$ (49,074)	1,479,940	\$ (0.0332) per kW
(7)		GSU	\$ (8,000)	574,390	\$ (0.0139) per kVa
(8)			\$ (312,784)		
(9)	TE	GS	\$ (194,139)	1,752,846	\$ (0.1108) per kW
(10)		GP	\$ (29,036)	654,199	\$ (0.0444) per kW
(11)		GSU	\$ (643)	55,501	\$ (0.0116) per kVa
(12)			\$ (223,817)		

**NOTES**

- (C) Source: Section IV, Column G.
- (D) Source: Forecast for March through May 2017 (All forecasted numbers associated with the forecast as of December 2016).
- (E) Calculation: Column C / Column D.

**Rider Charge Calculation - Rider DCR**

IX. Rider DCR Charge Calculation

	(A)	(B)	(C)	(D)	(E)
Company	Rate Schedule	Annual Rev Req Charge	Quarterly Reconciliation	Proposed DCR Charge For March - May 2017	
(1) CEI	RS	\$ 0.006979 per kWh	\$ (0.000022) per kWh	\$ 0.006957 per kWh	
(2)	GS	\$ 3.1038 per kW	\$ (0.0091) per kW	\$ 3.0947 per kW	
(3)	GP	\$ 1.0944 per kW	\$ (0.0032) per kW	\$ 1.0912 per kW	
(4)	GSU	\$ 0.7632 per kW	\$ (0.0022) per kW	\$ 0.7610 per kW	
(5)					
(6) OE	RS	\$ 0.006396 per kWh	\$ (0.000141) per kWh	\$ 0.006254 per kWh	
(7)	GS	\$ 2.1119 per kW	\$ (0.0449) per kW	\$ 2.0670 per kW	
(8)	GP	\$ 1.5824 per kW	\$ (0.0332) per kW	\$ 1.5492 per kW	
(9)	GSU	\$ 0.6712 per kVa	\$ (0.0139) per kVa	\$ 0.6573 per kVa	
(10)					
(11) TE	RS	\$ 0.005232 per kWh	\$ (0.000328) per kWh	\$ 0.004903 per kWh	
(12)	GS	\$ 1.9196 per kW	\$ (0.1108) per kW	\$ 1.8089 per kW	
(13)	GP	\$ 0.7661 per kW	\$ (0.0444) per kW	\$ 0.7217 per kW	
(14)	GSU	\$ 0.2046 per kVa	\$ (0.0116) per kVa	\$ 0.1931 per kVa	
(15)					

**NOTES**

- (C) Source: Sections V and VI, Column E
- (D) Source: Sections VII and VIII, Column E
- (E) Calculation: Column C + Column D.

**Annual Rider DCR Revenue To-Date and Rider DCR Revenue Cap**

X. Annual Rider DCR Revenue Through November 30, 2016

(A)	(B)	(C)	(D)	(E)	(F)
Company	Annual Revenue Thru 11/30/2016	2015 Revenue vs. Revenue Cap	2016 Revenue Cap	Actual 2016 Revenue Cap	Under (Over) 2016 Revenue Cap
CEI	\$ 86,213,618			\$ 155,374,944	\$ 69,161,325
OE	\$ 93,873,687			\$ 110,982,103	\$ 17,108,416
TE	\$ 21,996,144			\$ 66,589,262	\$ 44,593,118
Total	\$ 202,083,449	\$ (5,535,795)	\$ 227,500,000	\$ 221,964,205	\$ 19,880,756

**NOTES**

- (C) The actual annual 2015 Rider DCR revenue cap was equal to \$201,542,263. Actual annual 2015 Rider DCR revenue billed was equal to \$207,078,057. Pursuant to the Stipulation in Case No. 12-1230-EL-SSO (page 23): "For any year that the Companies' spending would produce revenue in excess of that period's cap, the overage shall be recovered in the following cap period subject to such period's cap. For any year the revenue collected under the Companies' Rider DCR is less than the annual cap allowance, as established above, then the difference between the revenue collected and the cap shall be applied to increase the level of the subsequent period's cap." This provision was continued pursuant to Case No. 14-1297-EL-SSO.
- (D) Source: Case No. 12-1230-EL-SSO and Case No. 14-1297-EL-SSO. Note that the 2016 revenue cap is calculated as the equivalent of 5 months of the June 2015 - May 2016 cap of \$210M plus the equivalent of 7 months of the June 2016 - May 2017 cap of \$240M.
- (E) Calculation: Column C + Column D. The sum of the individual company caps does not equal the total company cap. Each individual company has a cap of 50%, 70% and 30% for OE, CEI, and TE, respectively, of the total aggregate cap. Source: Case No. 12-1230-EL-SSO Stipulation (page 20). This provision was continued pursuant to Case No. 14-1297-EL-SSO.
- (F) Calculation: Column E - Column B

**Quarterly Revenue Requirement Additions: Calculation of December 2016 - February 2017 Reconciliation Amount Adjusted for March - May 2017**

**I. Rider DCR December 2016 - February 2017 Rates Based on Estimated 11/30/2016 Rate Base**

(A) Company	(B) Rate Schedule	(C) Allocation	(E) Annual Revenue Requirements			(H) Quarterly Reconciliation			(J) December 2016 - February 2017 Rate Estimated Rate Base
			(D) Rev. Req	(E) Billing Units	(F) Rate	(G) Rev. Req	(H) Billing Units	(I) Rate	
CEI	RS	33.64%	\$ 36,628,150	5,381,139,444	\$ 0.006807 per kWh	\$ 20,946	1,517,484,787	\$ 0.000014 per kWh	\$ 0.006821 per kWh
	GS	59.74%	\$ 65,048,490	21,537,032	\$ 3.0203 per kW	\$ 37,199	5,099,617	\$ 0.0073 per kW	\$ 3.0276 per kW
	GP	0.89%	\$ 963,928	903,283	\$ 1.0671 per kW	\$ 551	220,714	\$ 0.0025 per kW	\$ 1.0696 per kW
	GSU	5.74%	\$ 6,248,910	8,397,357	\$ 0.7442 per kW	\$ 3,574	2,029,961	\$ 0.0018 per kW	\$ 0.7459 per kW
		100.00%	\$ 108,889,478			\$ 62,270			
OE	RS	48.30%	\$ 56,460,685	8,989,802,021	\$ 0.006281 per kWh	\$ (1,424,547)	2,669,430,704	\$ (0.000534) per kWh	\$ 0.005747 per kWh
	GS	42.27%	\$ 49,407,981	23,798,014	\$ 2.0761 per kW	\$ (1,246,602)	5,652,369	\$ (0.2205) per kW	\$ 1.8556 per kW
	GP	8.11%	\$ 9,481,959	6,096,011	\$ 1.5554 per kW	\$ (239,237)	1,416,492	\$ (0.1689) per kW	\$ 1.3865 per kW
	GSU	1.32%	\$ 1,545,767	2,342,549	\$ 0.6599 per kVa	\$ (39,001)	565,581	\$ (0.0690) per kVa	\$ 0.5909 per kVa
		100.00%	\$ 116,896,392			\$ (2,949,387)			
TE	RS	44.28%	\$ 12,764,302	2,476,166,502	\$ 0.005155 per kWh	\$ (54,730)	693,241,402	\$ (0.000079) per kWh	\$ 0.005076 per kWh
	GS	48.33%	\$ 13,929,888	7,390,556	\$ 1.8848 per kW	\$ (59,727)	1,762,379	\$ (0.0339) per kW	\$ 1.8509 per kW
	GP	7.23%	\$ 2,083,405	2,762,620	\$ 0.7541 per kW	\$ (8,933)	615,921	\$ (0.0145) per kW	\$ 0.7396 per kW
	GSU	0.16%	\$ 46,112	228,871	\$ 0.2015 per kVa	\$ (198)	55,411	\$ (0.0036) per kVa	\$ 0.1979 per kVa
		100.00%	\$ 28,823,706			\$ (123,588)			
<b>TOTAL</b>			<b>\$ 254,609,576</b>			<b>\$ (3,010,705)</b>			

**Notes:**

Source: See "Rider Charge Calculation - Rider DCR" workpaper from Rider DCR filing September 30, 2016.

Quarterly Revenue Requirement Additions: Calculation of December 2016 - February 2017 Reconciliation Amount Adjusted for March - May 2017

II. Rider DCR December 2016 - February 2017 Rates Based on Actual 11/30/2016 Rate Base

(A) Company	(B) Rate Schedule	(C) Allocation	(E) Annual Revenue Requirements			(H) Quarterly Reconciliation			(J) December 2016 - February 2017 Rate Actual Rate Base
			(D) Rev. Req	(E) Billing Units	(F) Rate	(G) Rev. Req	(H) Billing Units	(I) Rate	
CEI	RS	33.64%	\$ 36,523,385	5,381,139,444	\$ 0.006787 per kWh	\$ 20,946	1,517,484,787	\$ 0.000014 per kWh	\$ 0.006801 per kWh
	GS	59.74%	\$ 64,862,437	21,537,032	\$ 3.0117 per kW	\$ 37,199	5,099,617	\$ 0.0073 per kW	\$ 3.0190 per kW
	GP	0.89%	\$ 961,171	903,283	\$ 1.0641 per kW	\$ 551	220,714	\$ 0.0025 per kW	\$ 1.0666 per kW
	GSU	5.74%	\$ 6,231,036	8,397,357	\$ 0.7420 per kW	\$ 3,574	2,029,961	\$ 0.0018 per kW	\$ 0.7438 per kW
		100.00%	\$ 108,578,029			\$ 62,270			
OE	RS	46.44%	\$ 53,459,916	8,989,802,021	\$ 0.005947 per kWh	\$ (1,369,784)	2,669,430,704	\$ (0.000513) per kWh	\$ 0.005434 per kWh
	GS	43.78%	\$ 50,399,689	23,798,014	\$ 2.1178 per kW	\$ (1,291,373)	5,652,369	\$ (0.2285) per kW	\$ 1.8893 per kW
	GP	8.40%	\$ 9,672,279	6,096,011	\$ 1.5867 per kW	\$ (247,829)	1,416,492	\$ (0.1750) per kW	\$ 1.4117 per kW
	GSU	1.37%	\$ 1,576,793	2,342,549	\$ 0.6731 per kVa	\$ (40,402)	565,581	\$ (0.0714) per kVa	\$ 0.6017 per kVa
		100.00%	\$ 115,108,677			\$ (2,949,387)			
TE	RS	44.28%	\$ 12,070,923	2,476,166,502	\$ 0.004875 per kWh	\$ (54,730)	693,241,402	\$ (0.000079) per kWh	\$ 0.004796 per kWh
	GS	48.33%	\$ 13,173,192	7,390,556	\$ 1.7824 per kW	\$ (59,727)	1,762,379	\$ (0.0339) per kW	\$ 1.7485 per kW
	GP	7.23%	\$ 1,970,231	2,762,620	\$ 0.7132 per kW	\$ (8,933)	615,921	\$ (0.0145) per kW	\$ 0.6987 per kW
	GSU	0.16%	\$ 43,607	228,871	\$ 0.1905 per kVa	\$ (198)	55,411	\$ (0.0036) per kVa	\$ 0.1870 per kVa
		100.00%	\$ 27,257,952			\$ (123,588)			
<b>TOTAL</b>			<b>\$ 250,944,658</b>			<b>\$ (3,010,705)</b>			

- (C) Source: Rider DCR filing September 30, 2016
- (D) Calculation: Annual DCR Revenue Requirement based on actual 11/30/2016 Rate Base x Column C
- (E) Estimated billing units for December 2016 - November 2017. Source: Rider DCR filing September 30, 2016.
- (F) Calculation: Column D / Column E
- (G) Source: Rider DCR filing September 30, 2016
- (H) Estimated billing units for December 2016 - February 2017. Source: Rider DCR filing September 30, 2016.
- (I) Calculation: Column G / Column H
- (J) Calculation: Column F + Column I

Quarterly Revenue Requirement Additions: Calculation of December 2016 - February 2017 Reconciliation Amount Adjusted for March - May 2017

III. Estimated Rider DCR Reconciliation Amount for March - May 2017

(A) Company	(B) Rate Schedule	(C) December 2016 - February 2017 Rate Estimated Rate Base	(D) December 2016 - February 2017 Rate Actual Rate Base	(E) Difference	(F) Billing Units	(G) Reconciliation Amount
CEI	RS	\$ 0.006821 per kWh	\$ 0.006801 per kWh	\$ (0.00019) per kWh	1,517,484,787	\$ (29,544)
	GS	\$ 3.0276 per kW	\$ 3.0190 per kW	\$ (0.0086) per kW	5,099,617	\$ (44,054)
	GP	\$ 1.0696 per kW	\$ 1.0666 per kW	\$ (0.0031) per kW	220,714	\$ (674)
	GSU	\$ 0.7459 per kW	\$ 0.7438 per kW	\$ (0.0021) per kW	2,029,961	\$ (4,321)
						\$ (78,592)
OE	RS	\$ 0.005747 per kWh	\$ 0.005434 per kWh	\$ (0.000313) per kWh	2,669,430,704	\$ (836,285)
	GS	\$ 1.855594 per kW	\$ 1.889345 per kW	\$ 0.0338 per kW	5,652,369	\$ 190,774
	GP	\$ 1.386543 per kW	\$ 1.411697 per kW	\$ 0.0252 per kW	1,416,492	\$ 35,631
	GSU	\$ 0.590908 per kVa	\$ 0.601676 per kVa	\$ 0.0108 per kVa	565,581	\$ 6,090
						\$ (603,789)
TE	RS	\$ 0.005076 per kWh	\$ 0.004796 per kWh	\$ (0.000280) per kWh	693,241,402	\$ (194,122)
	GS	\$ 1.8509 per kW	\$ 1.7485 per kW	\$ (0.1024) per kW	1,762,379	\$ (180,445)
	GP	\$ 0.7396 per kW	\$ 0.6987 per kW	\$ (0.0410) per kW	615,921	\$ (25,232)
	GSU	\$ 0.1979 per kVa	\$ 0.1870 per kVa	\$ (0.0109) per kVa	55,411	\$ (606)
						\$ (400,405)
<b>TOTAL</b>						<b>\$ (1,082,787)</b>

- (C) Source: Section I, Column J.
- (D) Source: Section II, Column J.
- (E) Calculation: Column D - Column C
- (F) Estimated billing units for December 2016 - February 2017. Source: Rider DCR filing September 30, 2016.
- (G) Calculation: Column E x Column F

The Cleveland Electric Illuminating Company: 16-1819-EL-RDR  
 Ohio Edison Company: 16-1820-EL-RDR  
 The Toledo Edison Company: 16-1821-EL-RDR

**Energy and Demand Forecast**

Source: All forecasted numbers associated with the forecast as of December 2016.

**Annual Energy (March 2017 - February 2018):**

Source: Forecast as of December 2016.

		<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>Total</u>
RS	kWh	5,370,016,786	8,968,434,073	2,465,036,691	16,803,487,550
GS	kWh	6,495,415,336	6,351,523,905	1,965,818,774	14,812,758,016
GP	kWh	463,086,945	2,416,911,082	1,041,442,929	3,921,440,956
GSU	kWh	3,691,755,882	871,217,525	117,063,191	4,680,036,597
Total		16,020,274,949	18,608,086,585	5,589,361,586	40,217,723,120

**Annual Demand (March 2017 - February 2018):**

Source: Forecast as of December 2016.

		<u>CEI</u>	<u>OE</u>	<u>TE</u>
GS	kW	21,558,048	23,866,387	7,385,976
GP	kW	905,984	6,112,811	2,767,906
GSU	kW/kVA	8,422,187	2,349,325	229,347

**March - May 2017 Energy:**

Source: Forecast as of December 2016.

		<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>Total</u>
RS	kWh	1,186,462,198	2,058,926,466	537,781,647	3,783,170,311
GS	kWh	1,552,688,634	1,501,407,328	452,610,435	3,506,706,398
GP	kWh	111,322,983	579,160,530	255,306,825	945,790,338
GSU	kWh	895,022,530	209,986,825	29,624,107	1,134,633,461
Total		3,745,496,345	4,349,481,149	1,275,323,015	9,370,300,508

**March - May 2017 Demand:**

Source: Forecast as of December 2016.

		<u>CEI</u>	<u>OE</u>	<u>TE</u>
GS	kW	5,174,628	5,693,941	1,752,846
GP	kW	215,699	1,479,940	654,199
GSU	kW/kVA	2,042,028	574,390	55,501

Ohio Edison Company  
Case No. 16-1820-EL-RDR  
Typical Bills - Comparison (DCR January 2017 vs. DCR March 2017)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Bill with Current DCR (\$) (C)	Bill with Proposed DCR (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - Standard (Rate RS)						
1	0	250	\$ 33.67	\$ 34.30	\$ 0.63	1.9%
2	0	500	\$ 63.15	\$ 64.40	\$ 1.25	2.0%
3	0	750	\$ 92.56	\$ 94.44	\$ 1.88	2.0%
4	0	1,000	\$ 122.03	\$ 124.54	\$ 2.51	2.1%
5	0	1,250	\$ 151.44	\$ 154.57	\$ 3.13	2.1%
6	0	1,500	\$ 180.93	\$ 184.69	\$ 3.76	2.1%
7	0	2,000	\$ 239.76	\$ 244.77	\$ 5.01	2.1%
8	0	2,500	\$ 298.47	\$ 304.74	\$ 6.27	2.1%
9	0	3,000	\$ 357.07	\$ 364.59	\$ 7.52	2.1%
10	0	3,500	\$ 415.73	\$ 424.50	\$ 8.77	2.1%
11	0	4,000	\$ 474.37	\$ 484.40	\$ 10.03	2.1%
12	0	4,500	\$ 533.05	\$ 544.33	\$ 11.28	2.1%
13	0	5,000	\$ 591.72	\$ 604.26	\$ 12.54	2.1%
14	0	5,500	\$ 650.33	\$ 664.12	\$ 13.79	2.1%
15	0	6,000	\$ 708.97	\$ 724.01	\$ 15.04	2.1%
16	0	6,500	\$ 767.65	\$ 783.95	\$ 16.30	2.1%
17	0	7,000	\$ 826.28	\$ 843.83	\$ 17.55	2.1%
18	0	7,500	\$ 884.95	\$ 903.75	\$ 18.80	2.1%
19	0	8,000	\$ 943.57	\$ 963.63	\$ 20.06	2.1%
20	0	8,500	\$ 1,002.23	\$ 1,023.54	\$ 21.31	2.1%
21	0	9,000	\$ 1,060.85	\$ 1,083.41	\$ 22.56	2.1%
22	0	9,500	\$ 1,119.54	\$ 1,143.36	\$ 23.82	2.1%
23	0	10,000	\$ 1,178.17	\$ 1,203.24	\$ 25.07	2.1%
24	0	10,500	\$ 1,236.84	\$ 1,263.16	\$ 26.32	2.1%
25	0	11,000	\$ 1,295.48	\$ 1,323.06	\$ 27.58	2.1%



Ohio Edison Company  
Case No. 16-1820-EL-RDR  
Typical Bills - Comparison (DCR January 2017 vs. DCR March 2017)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Bill with Current DCR (\$) (C)	Bill with Proposed DCR (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - All-Electric (Rate RS)						
1	0	250	\$ 33.67	\$ 34.30	\$ 0.63	1.9%
2	0	500	\$ 63.15	\$ 64.40	\$ 1.25	2.0%
3	0	750	\$ 83.38	\$ 85.26	\$ 1.88	2.3%
4	0	1,000	\$ 103.68	\$ 106.19	\$ 2.51	2.4%
5	0	1,250	\$ 123.91	\$ 127.04	\$ 3.13	2.5%
6	0	1,500	\$ 141.00	\$ 144.76	\$ 3.76	2.7%
7	0	2,000	\$ 175.03	\$ 180.04	\$ 5.01	2.9%
8	0	2,500	\$ 208.94	\$ 215.21	\$ 6.27	3.0%
9	0	3,000	\$ 242.74	\$ 250.26	\$ 7.52	3.1%
10	0	3,500	\$ 276.60	\$ 285.37	\$ 8.77	3.2%
11	0	4,000	\$ 310.44	\$ 320.47	\$ 10.03	3.2%
12	0	4,500	\$ 344.32	\$ 355.60	\$ 11.28	3.3%
13	0	5,000	\$ 378.19	\$ 390.73	\$ 12.54	3.3%
14	0	5,500	\$ 412.00	\$ 425.79	\$ 13.79	3.3%
15	0	6,000	\$ 445.84	\$ 460.88	\$ 15.04	3.4%
16	0	6,500	\$ 479.72	\$ 496.02	\$ 16.30	3.4%
17	0	7,000	\$ 513.55	\$ 531.10	\$ 17.55	3.4%
18	0	7,500	\$ 547.42	\$ 566.22	\$ 18.80	3.4%
19	0	8,000	\$ 581.24	\$ 601.30	\$ 20.06	3.5%
20	0	8,500	\$ 615.10	\$ 636.41	\$ 21.31	3.5%
21	0	9,000	\$ 648.92	\$ 671.48	\$ 22.56	3.5%
22	0	9,500	\$ 682.81	\$ 706.63	\$ 23.82	3.5%
23	0	10,000	\$ 716.64	\$ 741.71	\$ 25.07	3.5%
24	0	10,500	\$ 750.51	\$ 776.83	\$ 26.32	3.5%
25	0	11,000	\$ 784.35	\$ 811.93	\$ 27.58	3.5%

Ohio Edison Company  
Case No. 16-1820-EL-RDR  
Typical Bills - Comparison (DCR January 2017 vs. DCR March 2017)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Bill with Current DCR (\$) (C)	Bill with Proposed DCR (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - Water Heating (Rate RS)						
1	0	250	\$ 33.67	\$ 34.30	\$ 0.63	1.9%
2	0	500	\$ 63.15	\$ 64.40	\$ 1.25	2.0%
3	0	750	\$ 88.13	\$ 90.01	\$ 1.88	2.1%
4	0	1,000	\$ 113.18	\$ 115.69	\$ 2.51	2.2%
5	0	1,250	\$ 138.16	\$ 141.29	\$ 3.13	2.3%
6	0	1,500	\$ 163.23	\$ 166.99	\$ 3.76	2.3%
7	0	2,000	\$ 213.21	\$ 218.22	\$ 5.01	2.4%
8	0	2,500	\$ 263.07	\$ 269.34	\$ 6.27	2.4%
9	0	3,000	\$ 312.82	\$ 320.34	\$ 7.52	2.4%
10	0	3,500	\$ 362.63	\$ 371.40	\$ 8.77	2.4%
11	0	4,000	\$ 412.42	\$ 422.45	\$ 10.03	2.4%
12	0	4,500	\$ 462.25	\$ 473.53	\$ 11.28	2.4%
13	0	5,000	\$ 512.07	\$ 524.61	\$ 12.54	2.4%
14	0	5,500	\$ 561.83	\$ 575.62	\$ 13.79	2.5%
15	0	6,000	\$ 611.62	\$ 626.66	\$ 15.04	2.5%
16	0	6,500	\$ 661.45	\$ 677.75	\$ 16.30	2.5%
17	0	7,000	\$ 711.23	\$ 728.78	\$ 17.55	2.5%
18	0	7,500	\$ 761.05	\$ 779.85	\$ 18.80	2.5%
19	0	8,000	\$ 810.82	\$ 830.88	\$ 20.06	2.5%
20	0	8,500	\$ 860.63	\$ 881.94	\$ 21.31	2.5%
21	0	9,000	\$ 910.40	\$ 932.96	\$ 22.56	2.5%
22	0	9,500	\$ 960.24	\$ 984.06	\$ 23.82	2.5%
23	0	10,000	\$ 1,010.02	\$ 1,035.09	\$ 25.07	2.5%
24	0	10,500	\$ 1,059.84	\$ 1,086.16	\$ 26.32	2.5%
25	0	11,000	\$ 1,109.63	\$ 1,137.21	\$ 27.58	2.5%

Ohio Edison Company  
Case No. 16-1820-EL-RDR  
Typical Bills - Comparison (DCR January 2017 vs. DCR March 2017)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Bill with Current DCR (\$) (C)	Bill with Proposed DCR (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Secondary (Rate GS)						
1	10	1,000	\$ 169.99	\$ 178.56	\$ 8.57	5.0%
2	10	2,000	\$ 241.22	\$ 249.79	\$ 8.57	3.6%
3	10	3,000	\$ 312.01	\$ 320.58	\$ 8.57	2.7%
4	10	4,000	\$ 382.79	\$ 391.36	\$ 8.57	2.2%
5	10	5,000	\$ 453.60	\$ 462.17	\$ 8.57	1.9%
6	10	6,000	\$ 524.34	\$ 532.91	\$ 8.57	1.6%
7	1,000	100,000	\$ 17,516.37	\$ 18,373.47	\$ 857.10	4.9%
8	1,000	200,000	\$ 24,538.28	\$ 25,395.38	\$ 857.10	3.5%
9	1,000	300,000	\$ 31,560.18	\$ 32,417.28	\$ 857.10	2.7%
10	1,000	400,000	\$ 38,582.09	\$ 39,439.19	\$ 857.10	2.2%
11	1,000	500,000	\$ 45,604.00	\$ 46,461.10	\$ 857.10	1.9%
12	1,000	600,000	\$ 52,625.90	\$ 53,483.00	\$ 857.10	1.6%

Ohio Edison Company  
Case No. 16-1820-EL-RDR  
Typical Bills - Comparison (DCR January 2017 vs. DCR March 2017)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Bill with Current DCR (\$) (C)	Bill with Proposed DCR (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Primary (Rate GP)						
1	500	50,000	\$ 7,369.67	\$ 7,692.27	\$ 322.60	4.4%
2	500	100,000	\$ 10,583.57	\$ 10,906.17	\$ 322.60	3.0%
3	500	150,000	\$ 13,797.47	\$ 14,120.07	\$ 322.60	2.3%
4	500	200,000	\$ 17,011.38	\$ 17,333.98	\$ 322.60	1.9%
5	500	250,000	\$ 20,225.28	\$ 20,547.88	\$ 322.60	1.6%
6	500	300,000	\$ 23,439.18	\$ 23,761.78	\$ 322.60	1.4%
7	5,000	500,000	\$ 72,100.40	\$ 75,326.40	\$ 3,226.00	4.5%
8	5,000	1,000,000	\$ 104,172.71	\$ 107,398.71	\$ 3,226.00	3.1%
9	5,000	1,500,000	\$ 136,111.99	\$ 139,337.99	\$ 3,226.00	2.4%
10	5,000	2,000,000	\$ 168,051.27	\$ 171,277.27	\$ 3,226.00	1.9%
11	5,000	2,500,000	\$ 199,990.55	\$ 203,216.55	\$ 3,226.00	1.6%
12	5,000	3,000,000	\$ 231,929.83	\$ 235,155.83	\$ 3,226.00	1.4%

Ohio Edison Company  
Case No. 16-1820-EL-RDR  
Typical Bills - Comparison (DCR January 2017 vs. DCR March 2017)

Bill Data						
Line No.	Level of Demand (kVa) (A)	Level of Usage (kWH) (B)	Bill with Current DCR (\$) (C)	Bill with Proposed DCR (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Subtransmission (Rate GSU)						
1	1,000	100,000	\$ 10,901.09	\$ 11,173.09	\$ 272.00	2.5%
2	1,000	200,000	\$ 16,739.80	\$ 17,011.80	\$ 272.00	1.6%
3	1,000	300,000	\$ 22,578.50	\$ 22,850.50	\$ 272.00	1.2%
4	1,000	400,000	\$ 28,417.21	\$ 28,689.21	\$ 272.00	1.0%
5	1,000	500,000	\$ 34,255.92	\$ 34,527.92	\$ 272.00	0.8%
6	1,000	600,000	\$ 40,094.62	\$ 40,366.62	\$ 272.00	0.7%
7	10,000	1,000,000	\$ 106,865.33	\$ 109,585.33	\$ 2,720.00	2.5%
8	10,000	2,000,000	\$ 164,852.89	\$ 167,572.89	\$ 2,720.00	1.6%
9	10,000	3,000,000	\$ 222,840.45	\$ 225,560.45	\$ 2,720.00	1.2%
10	10,000	4,000,000	\$ 280,828.01	\$ 283,548.01	\$ 2,720.00	1.0%
11	10,000	5,000,000	\$ 338,815.58	\$ 341,535.58	\$ 2,720.00	0.8%
12	10,000	6,000,000	\$ 396,803.14	\$ 399,523.14	\$ 2,720.00	0.7%

**TABLE OF CONTENTS**

The following rates, rules and regulations for electric service are applicable throughout the Company's service territory except as noted.

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Filed pursuant to Order dated March 31, 2016 in Case No. 14-1297-EL-SSO, and in Case No. 16-1820-EL-RDR  
before

The Public Utilities Commission of Ohio

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**RIDER DCR**  
**Delivery Capital Recovery Rider**

**APPLICABILITY:**

Applicable to any customer who receives electric service under the Company's rate schedules set forth below. The Delivery Capital Recovery Rider (DCR) charges will apply, by rate schedule, effective for bills rendered beginning March 1, 2017. This Rider is not avoidable for customers who take electric generation service from a certified supplier.

**RATE:**

RS (all kWhs, per kWh)	0.6254¢
GS (per kW of Billing Demand)	\$2.0670
GP (per kW of Billing Demand)	\$1.5492
GSU (per kVa of Billing Demand)	\$0.6573

**PROVISIONS:**

The charges set forth in this Rider recover costs associated with delivery plant investments made since the date certain in Case No. 07-551-EL-AIR, exclusive of any delivery plant investments being recovered elsewhere.

**RIDER UPDATES:**

The charges contained in this Rider shall be updated on a quarterly basis. Effective with the filing made on or about April 20, 2014, the Company will file a request for approval of the Rider charges on or about March 31st, June 30th, September 30th and December 31st of each year. Charges, unless otherwise ordered by the PUCO, shall become effective on a bills rendered basis on June 1st, September 1st, December 1st and March 1st of each year.



**This foregoing document was electronically filed with the Public Utilities**

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**Case No(s). 16-1820-EL-RDR, 89-6006-EL-TRF**

Summary: Tariff Update of Rider DCR for PUCO #11 electronically filed by Ms. Tamera J Singleton on behalf of Ohio Edison Company and Fanelli, Santino L. Mr.